



INVESTING IN COMMUNITIES

**NOTICE OF REGULAR MEETING MEETING**  
**Sacramento Housing and Redevelopment  
Commission**

**Wednesday, February 18, 2015 – 6:00 pm**  
**801 12<sup>th</sup> Street**  
**2<sup>nd</sup> Floor Commission Room**  
**Sacramento CA**

**ROLL CALL**

**APPROVAL OF AGENDA**

1. APPROVAL OF MINUTES – January 21, 2015

**CITIZENS COMMENTS**

2. While the Commission welcomes and encourages participation in the Commission meetings, it would be appreciated if you would limit your comments to three minutes so that everyone may be heard. Please fill out a speaker card and present it to the Agency Clerk if you wish to speak under Citizen Comments or on a posted agenda item. Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public at this time. Commission attendees are requested to silence any electronic devices that they have in their possession.

**BUSINESS**

3. Authorization To Execute Amended And Restated Sacramento Housing And Redevelopment Agency Joint Exercise Of Powers Agreement And Agreement With Redevelopment Agency Successor Agency Regarding Redevelopment Agency Debts - City
4. Authorization To Execute Amended And Restated Sacramento Housing And Redevelopment Agency Joint Exercise Of Powers Agreement And Agreement With Redevelopment Agency Successor Agency Regarding Redevelopment Agency Debts - County
5. Tax Equity And Fiscal Responsibility Act (TEFRA) Hearing And Approval Of Bond Issuance For The Mutual Housing At Foothill Farms

**PRESENTATION**

6. Presentation for outgoing Chair Michael Alcalay

**EXECUTIVE DIRECTOR REPORT**

**COMMISSION CHAIR REPORT**

**ITEMS AND QUESTIONS OF COMMISSION MEMBERS**

**ADJOURNMENT**

Staff reports are available for public review on the Agency's website [www.shra.org](http://www.shra.org) and include all attachments and exhibits. Hard copies are available at the Agency Clerk's office (801 12<sup>th</sup> Street) for 10 cents per page. A copy of materials for this agenda will be available at the meeting for public review. **Assistance for the Disabled:** Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Agency Clerk at (916) 440-1363 at least 48 hours prior to the meeting.



**MINUTES**

**Sacramento Housing and Redevelopment Commission (SHRC)  
Regular Meeting  
January 21, 2015**

Meeting noticed on January 16, 2015

**ROLL CALL**

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:00 p.m. by Chair Alcalay. A quorum of members was present.

**MEMBERS PRESENT:** Alcalay, Chan, Creswell, Griffin, Johnson, Morgan, Morton, Raab

**MEMBERS ABSENT:** Johnson (two vacancies)

**STAFF PRESENT:** Vickie Smith, LaShelle Dozier, David Levin, Christine Weichert, Lira Goff, Tashica McIntyre, MaryLiz Paulson, Jim Shields, Mike Taylor, Sarah Thomas, Tanya Tran, Anne Nicholls, Tyrone Williams, Kyle Flood

**APPROVAL OF AGENDA** Items 5 and 6 would be heard and approved together. Otherwise the Agenda was approved as submitted.

**APPROVAL OF MINUTES**

1. December 10, 2014 minutes were approved as submitted.

**CITIZENS COMMENTS**

2. none

**CONSENT**

3. Authorization to Return the Rental Assistance Administration of Two Continuum of Care Programs to Transitional Living and Community Support Inc. (TLCS Inc.) – City
4. Authorization to Return the Rental Assistance Administration of Two Continuum of Care Programs to Transitional Living and Community Support Inc. (TLCS Inc.) – County

The Commission recommended approval of the staff recommendation for the item listed above. The votes were as follows

**AYES:** Alcalay, Chan, Creswell, Griffin, Macedo, Morton, Raab

**NOES:** none

ABSTAIN: none

ABSENT: Johnson

Not present to vote: Morgan

**BUSINESS**

5. Authorize Application For A Choice Neighborhood Grant For The Twin Rivers/River District-Railyards Initiative - CITY

6. Authorize Application For A Choice Neighborhood Grant For The Twin Rivers/River District-Railyards Initiative - COUNTY

Kyle Flood presented the items.

Patty Kleinknecht of the River District association presented the item.

The Commission recommended approval of the staff recommendation for the item listed above. The votes were as follows

AYES: Alcalay, Chan, Creswell, Griffin, Macedo, Morgan, Morton, Raab

NOES: none

ABSTAIN: none

ABSENT: Johnson

7. Tax Equity And Fiscal Responsibility Act (TEFRA) Hearing And Approval Of A Loan Commitment For The Anton Arcade Apartments Project  
Christine Weichert presented the item.

Rachel Green of St. Anton Partners provided comment.

Commissioners Creswell and Raab stated that they would like the project to target lower income residents.

The Commission recommended approval of the staff recommendation for the item listed above. The votes were as follows

AYES: Alcalay, Chan, Griffin, Macedo, Morgan, Morton

NOES: Creswell, Raab

ABSTAIN: none

ABSENT: Johnson

8. Approval of Contract and Budget Amendment for Installation of new Vehicle Gate at Riverview Plaza

The Commission recommended approval of the staff recommendation for the item listed above. The votes were as follows

AYES: Alcalay, Chan, Creswell, Griffin, Macedo, Morgan, Morton, Raab

NOES: none

ABSTAIN: none

ABSENT: Johnson

9. Election of SHRC Chair/Vice-Chair for 2015

Chair Alcalay nominated Commissioner Griffin to serve as Chair and Commissioner Creswell to serve as Vice-Chair during 2015. Commissioner Morton seconded the motion and it was approved unanimously.

PRESENTATION

10. Certificate of appreciation for outgoing Commissioner Bill Chan

Chair Alcalay presented a certificate to Commissioner Chan and thanked him for his service.

EXECUTIVE DIRECTOR REPORT

LaShelle Dozier reviewed the following:

- February 4<sup>th</sup> meeting is cancelled – next meeting will be on February 18<sup>th</sup>
- Thanked outgoing Commissioner Chan for his excellent service.
- Visit from HUD Economic resiliency director – showed them Choice Neighborhood application area.
- Update on security at 600 I Street/Riverview Plaza
- Update on SHRA performance audit.
- Two events – 1) Farm to Fork event at Phoenix Park on Jan. 28<sup>th</sup> and 2) 75<sup>th</sup> Anniversary of the Housing authority – event to be held in July.

COMMISSION CHAIR REPORT

Chair Alcalay made comments as follows:

- Thanked staff for their participation at the MLK Celebration dinner.
- Thanked the group for their support during his term as chair.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

Commissioner Morton requested that staff pay attention to security issues at 630 I Street as well as those at 600 I Street.

Commissioner Macedo commented that she noticed an issue at another complex and would follow up with staff after the meeting.

Commissioner Alcalay commented that issues similar to those at 600 I Street should be solved at a lower level in the future.

Commissioner Alcalay asked if there was information about Councilmember Hansen's recent trip to Los Angeles. LaShelle Dozier indicated that he was visiting Pueblo del Sol which was developed by McCormick Baron who is the selected developer for Marina Vista and Alder Grove.

Commissioner Creswell asked if there was any follow up on the issue of landlords opting out of the HCV program as recently reported in the Sacramento Bee. LaShelle Dozier indicated that it appears that this is not a significant issue in Sacramento as families continue to lease up with their vouchers and the utilization rate is still high. In addition, new landlords continue to join the program on a monthly basis.

Commissioner Creswell was also interested in learning the average time it takes a voucher holder to move in to a unit. Sarah Thomas indicated that on average the family is able to find a unit within the allocated 60-day time period. However, veterans often require additional time- they are already given 120 days to find a unit but are also granted time extensions.

Commissioner Griffin asked about the screening for Section 8 tenants. LaShelle Dozier indicated that a criminal background check is done and that staff are also assigned to anonymously investigate complaints as they arise.

ADJOURNMENT

As there was no further business to be conducted, Chair Alcalay adjourned the meeting at 7:25 p.m.

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AGENCY CLERK



February 13, 2015

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

**SUBJECT:**

Authorization To Execute Amended and Restated Sacramento Housing and  
Redevelopment Agency Joint Exercise of Powers Agreement

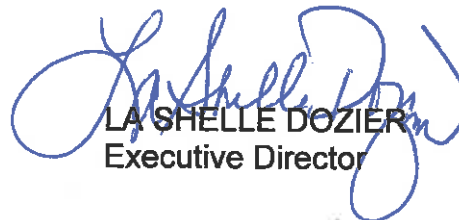
**SUMMARY**

The attached report is submitted to you for review prior to consideration by the City of  
Sacramento.

**RECOMMENDATION**

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,



LA SHELLE DOZIER  
Executive Director

Attachment



**REPORT TO COUNCIL, HOUSING  
AUTHORITY, AND THE  
REDEVELOPMENT AGENCY  
SUCCESSOR AGENCY  
City of Sacramento  
915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)**

**Consent**  
February 24, 2015

**Honorable Mayor and Members of the City Council  
Chair and Members of the Housing Authority Board  
Chair and Members of the Redevelopment Agency Successor Agency Board**

**Title: Authorization To Execute Amended And Restated Sacramento Housing And Redevelopment Agency Joint Exercise Of Powers Agreement And Agreement With Redevelopment Agency Successor Agency Regarding Redevelopment Agency Debts**

**Location/Council District: Citywide**

**Recommendation:** Adopt 1) a **City Council Resolution** authorizing the City Manager to execute the amended and restated Sacramento Housing and Redevelopment Agency (SHRA) Joint Exercise of Powers Agreement (JPA); 2) a **Housing Authority Resolution** authorizing the Executive Director of the Housing Authority of the City of Sacramento to execute the amended and restated SHRA Joint Exercise of Powers Agreement; and 3) a **Redevelopment Agency Successor Agency Resolution** (a) acknowledging that the Redevelopment Agency Successor Agency (RASA) for the City of Sacramento was not a party to the JPA or a member of SHRA, and (b) subject to the approval of the City of Sacramento RASA Oversight Board and the California Department of Finance, the City Manager, on behalf of RASA is authorized to execute an agreement with SHRA to pledge that payments for the retirement and post-retirement medical benefit obligations for former City Redevelopment Agency employees and a portion of the debt payment for the 801 12<sup>th</sup> Street building continue to be placed on the Recognized Obligation Payment Schedules.

**Contact:** David Levin, Agency Counsel, 440-1304; La Shelle Dozier, Executive Director, 440-1319.

**Presenter:** Not Applicable.

**Department:** Sacramento Housing and Redevelopment Agency (SHRA)

Amended and Restated Sacramento Housing and Redevelopment Agency Joint Exercise of Powers Agreement and Agreement

**Description/Analysis**

**Issue:** The Redevelopment Agencies of the County of Sacramento and the City of Sacramento, along with the City and County and their respective housing authorities, were parties to the original Joint Powers Agreement (JPA or Agreement) which formed SHRA. With the dissolution of the Redevelopment Agencies in 2012, it was unclear whether the successor agencies became parties to the JPA. It was determined that the successor agencies could not become parties to the JPA because of their limited powers. However, they do have certain obligations to pay a portion of the former Redevelopment Agency's debts.

The remaining parties to the JPA desire to make minor amendments to the Agreement to remove references to the Redevelopment Agencies, recognize that SHRA undertakes and funds capital improvements and revitalization programs in addition to social service programs, and includes a new provision which states that the parties are not jointly and severally liable for the debts, liabilities and obligations of SHRA.

In 1982, the City of Sacramento, the County of Sacramento, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento entered into the JPA to establish SHRA for the primary purpose of providing staffing for the City and County Housing Authorities and Redevelopment Agencies. In 1990, the JPA was amended to include "devising, proposing, conducting, evaluating and administering public social service programs".

In 2011, the California Legislature enacted AB 1X 26 which, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012. The City of Sacramento, by Resolution Number 2012-018 (adopted on January 31, 2012), elected to serve as the Redevelopment Agency Successor Agency (RASA) to the City Redevelopment Agency and designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency.

Under the dissolution law (Health and Safety Code section 34171), a successor agency is required to pay the debts of the former redevelopment agency. Such debts include the obligation to pay the pension and post-retirement medical benefit liabilities of the prior SHRA employees who served as City Redevelopment Agency staff. SHRA has obtained actuarial studies to establish the amount of such payments, and these studies will need to be updated annually. In addition, the successor agency must pay the City Redevelopment Agency's share of the debt under the 2008 Bank of America Public Capital Corporation tax-exempt financing for the SHRA building at 801 12<sup>th</sup> Street. The RASA has been making these



Amended and Restated Sacramento Housing and Redevelopment Agency Joint Exercise of Powers Agreement and Agreement

payments but because the RASA is not a party to the JPA, a separate agreement is required to formalize the RASA pledge to continue to include these liabilities and debt payments on the Recognized Obligation Payment Schedules. This agreement requires approval of the Oversight Board and the State Department of Finance, and such approvals will give SHRA assurance that the RASA can continue to make such payments.

**Policy Considerations:** No significant impact on policy is anticipated.

**Economic Impacts:** No significant economic impacts are anticipated.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The recommended activity is not a project under CEQA 15378(b)(5) and no environmental review is required.

**Sustainability Considerations:** Not applicable.

**National Environmental Policy Act (NEPA):** The recommended action is an exempt activity under NEPA, 24 CFR 58.34(a)(3).

**Commission Action:** At its meeting of February 18, 2015 it is anticipated that the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Council in the event that this does not occur.

**Rationale for Recommendation:** The existing 1990 amended version of the Joint Exercise of Powers Agreement includes the Redevelopment Agencies of the County and the City of Sacramento as parties to the JPA and members of SHRA. The proposed amendment eliminates references to these dissolved agencies and updates the text to accurately reflect the current activities of SHRA. The proposed amendment also provides that the parties to the Joint Exercise of Powers Agreement are not jointly and severally liable for the debts, liabilities and obligations of SHRA. Finally, the Agreement recitals clarify that the Redevelopment Agency Successor Agency did not become a successor party as defined in the Joint Exercise of Powers Agreement due to its limited powers.

**Financial Considerations:** No significant financial changes are anticipated.

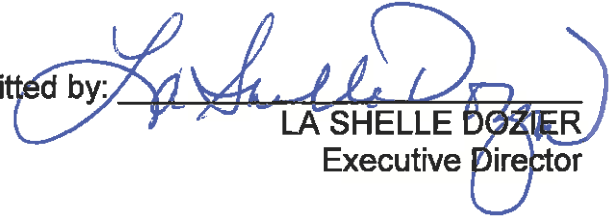
**M/WBE/Section 3 and First Source Considerations:** Not Applicable.

**Local Business Enterprise (LBE):** Not Applicable.

February 24, 2015

Authorization to Execute Agreement with the Sacramento Housing and Redevelopment Agency Regarding Payment of Redevelopment Agency Debts

Respectfully Submitted by:



LA SHELLE DOZIER  
Executive Director

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Authorization to Execute Amended and Restated Sacramento Housing and  
Redevelopment Agency Joint Exercise of Powers Agreement

**RESOLUTION NO. \_\_\_\_\_**

**Adopted by the Sacramento City Council**

on date of

**Authorization To Execute Amended And Restated Sacramento Housing And  
Redevelopment Agency Joint Exercise Of Powers Agreement**

**BACKGROUND**

- A. In 1982, the City of Sacramento, the County of Sacramento, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento entered into a Joint Exercise of Powers Agreement (JPA) establishing the Sacramento Housing and Redevelopment Agency (SHRA) for the primary purpose of providing staffing for the City and County Housing Authorities and Redevelopment Agencies.
- B. In 1990, the JPA was amended to include devising, proposing, conducting, evaluating and administrating public social service programs.
- C. In 2011, the California Legislature enacted AB 1X 26, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012.
- D. The City of Sacramento, by Resolution Number 2012-018 (adopted on January 31, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the City and designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the City of Sacramento.
- E. The County of Sacramento, by Resolution Number 2012-0051 (adopted on January 24, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the County and designated the Housing Authority of the County of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the County of Sacramento.
- F. The remaining parties to the Joint Exercise of Powers Agreement desire to make minor amendments to the Agreement to remove references to the redevelopment agencies, recognize that SHRA undertakes and funds capital improvements and revitalization programs, along with social services programs, and stating that the parties are not jointly and severally liable for the debts, liabilities and obligations of SHRA.

Authorization to Execute Amended and Restated Sacramento Housing and  
Redevelopment Agency Joint Exercise of Powers Agreement

- G. The proposed action to approve and execute the amended and restated Joint Exercise of Powers Agreement are considered administrative and management activities. As such, this action does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). This action is also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3).

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

Section 1. The City Manager is authorized to execute the Amended and Restated Joint Exercise of Powers Agreement with the Housing Authority of the City of Sacramento, the County of Sacramento, and the Housing Authority of the County of Sacramento as attached hereto as Exhibit A.

**Table of Contents:**

Exhibit A – Amended and Restated JPA

JOINT EXERCISE OF POWERS AGREEMENT

Exhibit A

JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT, dated as of April 20, 1982, and amended as of March 6, 1990, and amended again as of February \_\_, 2015 by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter "City"), COUNTY OF SACRAMENTO (hereinafter "County"), and ~~REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, the REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO,~~ the HOUSING AUTHORITY OF THE CITY OF SACRAMENTO and the HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO (both of which are hereinafter ~~the~~ "Constituent Entities").

RECITALS

WHEREAS, the Constituent Entities would benefit from access to a common staff; and

WHEREAS, City and County would benefit from the availability of an independent agency to devise, propose, conduct, evaluate, and administer public social service programs within the jurisdictions of both; and

WHEREAS, the parties to this Agreement desire to create an independent public agency pursuant to the Joint Powers Act (Section 6500, et seq., of the California Government Code), for the purposes of (1) providing staff services to the Constituent Entities and carrying out the housing ~~and redevelopment~~ functions within the respective jurisdictions of the City and County, and (2) devising, proposing, conducting, evaluating, and administering public social service programs, which may from time to time be approved by both City and County for joint administration and

WHEREAS, with the dissolution of redevelopment agencies, as of February 1, 2012, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento were no longer Constituent Entities of this Joint Powers Agency.

NOW, THEREFORE, the parties hereto agree as follows:

AGREEMENTS

1. Joint Powers Agency

There is hereby created the SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (hereinafter referred to as "Agency" or "Joint Powers Agency"). The Agency is created pursuant to the powers vested in the City and County and the Constituent Entities under Section 6500, et. seq., of the California Government Code.

2. Purpose of Joint Powers Agency

The Joint Powers Agency is formed for the purposes of (1) providing staff and employee services for the Constituent Entities and such other entities or bodies as may be from time to time approved by the Agency and the parties, for the purpose of providing to said entities staff services to enable those entities to carry out the housing ~~and redevelopment~~ functions invested by law in each of

## JOINT EXERCISE OF POWERS AGREEMENT

the Constituent Entities within the jurisdiction of the City and County, and (2) devising, proposing, conducting, evaluating, and administering such public social service, capital, and revitalization programs within the jurisdiction of City and County as are approved from time to time individually or by both City and County for joint administration by Agency. As used in this Agreement, "public social service programs" means those activities and functions of the City and County involved in providing aid or services or both to those persons within the jurisdiction of City and County who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby.

### 3. Authority of Joint Powers Agency

Except as otherwise provided in this Joint Powers Agreement and the Delegation of Powers to Sacramento Housing and Redevelopment Commission Agreement adopted by the Housing Authority and Redevelopment Agency of the City of Sacramento (Resolution HA 81-098 and RA 81-083, respectively), and the Housing Authority and Redevelopment Agency of the County of Sacramento (Resolution HA 1497 and RA 83, respectively), the Agency is hereby authorized, in its own name, to do all acts necessary to the exercise of authority for accomplishing the purposes set forth in Paragraph 2 above, including, but not limited to, any and all of the following acts:

- (a) Enter into contracts for staff and employee services;
- (b) Receive and expend funds;
- (c) Employ personnel, subject to the limitations set forth elsewhere in this Agreement;
- (d) Organize and train personnel;
- (e) Acquire such materials and equipment as are necessary to carry out the contracts which are executed;
- (f) Sue or be sued in its own name, except that no authority is granted to sue the City or County;
- (g) Evaluate performance of personnel;
- (h) Establish an annual budget and amendments thereto pursuant to the delegation agreement noted above;
- (i) Establish suitable reserves for the appropriate operation of the Agency pursuant to the delegation agreement noted above;
- (j) Acquire, lease, rent, manage, maintain, hold or dispose of equipment, materials, supplies and property;
- (k) Perform any other act or acts that may be required to accomplish the purposes of this Agreement and the contracts executed pursuant thereto.

### 4. Governing Board

## JOINT EXERCISE OF POWERS AGREEMENT

The Agency shall be administered by a governing board consisting of the members of the Sacramento Housing and Redevelopment Commission as they are appointed by provision of Chapter 2.29 of the Code of the County of Sacramento, and by provision of Section 2.80 250, et. seq., of the Municipal Code of the City of Sacramento. The provisions of the respective City and County Codes relating to the appointment, qualification, term of service and termination of commissioners shall apply equally to their services as members of the governing board of the Agency.

### 5. Meetings of the Governing Board

(a) Regular Meetings ~~The governing board shall hold its Sacramento Housing and Redevelopment Commission's regular meetings concurrently with~~ shall be held in the regular meetings of Agency's Commission Room or such other places as may be determined by the Sacramento Housing and Redevelopment Commission. The date upon which, and the hour on dates and place of which, each such regular meeting times as directed by the Commission. ~~shall be held shall be fixed to accord with the meetings of the Sacramento Housing and Redevelopment Commission.~~

(b) Special Meeting Special meetings of the governing board may be called in accordance with the provisions of Section 54956 of the California Government Code.

(c) Legal Notice All meetings of the governing board shall be held subject to the provisions of Section 54950 et seq. of the laws of the State of California Government Code dictating notice of meetings of public bodies. to ~~be given as soon as possible.~~

(d) Minutes The minutes of all meetings of the governing board shall be kept by the Clerk of the Agency and shall as soon as possible after each meeting but in no case more than seven (7) days after such meeting, be forwarded to each member of the governing board and the Clerk of the Board of Supervisors and the City Clerk of the parties hereto.

(e) Quorum A majority of the members of the governing board shall constitute a quorum for the transaction of business. Action shall be taken by the governing board in accordance with the rules and By-Laws of the Sacramento Housing and Redevelopment Commission as they now exist or from time to time may be amended.

### 6. Officers

The officers of the governing board shall be a chairman and vice chairman elected from among the members of the board for one (1) year terms in accordance with the provisions of the By-Laws of the Sacramento Housing and Redevelopment Commission.

### 7. Term

This Agreement shall remain in effect until terminated by action of any one of the parties hereto but in no case shall action to terminate this Agreement be effective until the next succeeding January 1, preceded by not less than one hundred eighty (180) days notice of termination served upon the Agency and the other parties to this Agreement.



## JOINT EXERCISE OF POWERS AGREEMENT

### 8. Contract Monitoring

The Agency shall have the duty and responsibility to monitor, evaluate and take corrective action relating to the performance of any and all contracts executed pursuant to this Agreement.

### 9. Staff

The County of Sacramento and the City of Sacramento shall jointly appoint an Executive Director of the Agency, after receipt of a confidential recommendation of the County Executive and the City Manager. The Executive Director shall serve at the pleasure of the appointing authorities and may be removed from office by either the County or the City after receipt of a confidential recommendation concerning the matter from the County Executive and the City Manager. The Executive Director shall be an employee of the Agency and be responsible for carrying out all staff functions for the Agency and shall hire, supervise and may dismiss all authorized staff of the Agency, subject to applicable personnel rules and procedures. The

Agency shall be the exclusive employer of staff. All current employees of the Housing Authority of the City of Sacramento and the Redevelopment Agency of the City of Sacramento shall automatically be transitioned as employees of the Agency. The employees shall retain all rights, privileges, benefits, seniority, etc., in effect at the time of the transition in accordance with applicable personnel rules and procedures. No staff or employee of the Agency shall have any employment rights within the parties hereto by virtue of its services on the staff of the Agency.

### 10. Separate Entity

The Agency shall be a public entity separate and apart from the parties. Unless, and to the extent otherwise agreed herein or by separate agreement, the debts, liabilities, and obligations of the Agency are not the debts, liabilities, and obligations of the parties.

(a) Notwithstanding the foregoing, the Constituent Entities remain obligated to maintain and continue the retirement contributions (CalPERS) and post-retirement benefit obligations (OPEB) for the Agency employees. The CalPERS and OPEB contributions shall be updated each year by an actuarial study prepared by a qualified, independent firm retained and paid for by Agency. These updated studies will be provided to the Constituent Entities and to the successor agencies to the redevelopment agencies of the City and the County in support of their respective Recognized Obligation Payment Schedules (ROPS) submissions to the California Department of Finance. The obligations in this subsection survive the termination of this Agreement.

(b) The parties recognize that the Agency, the Housing Authority of the City, and the Housing Authority of the County, along with the successor agencies to the redevelopment agencies of the City and the County, remain liable to and therefore obligated to continue to make debt service payments to the 2008 Banc of America Public Capital Corp. tax exempt financing for the 801 12<sup>th</sup> Street Building. The obligation in this subsection survives the termination of this Agreement and shall continue until the later of May 31, 2043, or when such tax-exempt financing is defeased or repaid.



## JOINT EXERCISE OF POWERS AGREEMENT

(c) This amendment does not modify the parties' obligations for debt, liabilities, and obligations of the Agency which accrued prior to the approval of this amendment to this Agreement on February 24, 2015, nor does this amendment to the Agreement modify or amend any existing contractual agreements between the Agency and one or more of the parties assigning liability or providing indemnification to the Agency.

### 10.11. Legal Counsel

The Agency shall have a Legal Counsel who shall remain independent of the County Counsel of the County of Sacramento or the City Attorney of the City of Sacramento.

### 11.12. Reports

Commencing January 1, 1983 and not less than annually thereafter during the term of this Agreement, the Agency shall make reports to the parties hereto and any and all other individuals or agencies that may be appropriate. Additional reports may be made from time to time as circumstances may require. Said reports shall contain but not be limited to proposed plans and status of existing plans, programs, contracts and such other subjects as the parties may determine.

### 12.13. Funds: Accountability

(a) The Executive Director of the Agency shall designate the Agency's Director of Finance as treasurer of the Joint Powers Agency. The treasurer is designated as the depository of the Agency to have custody of all money from whatever source, and as such to have the powers, duties and responsibilities specified in Section 6505.56 of the Government Code of the State of California.

(b) The treasurer shall establish such records and accounting procedures as are required by the Agency and be generally accepted accounting principles. In particular, the funds received under each contract executed pursuant hereto shall be managed in such a manner that accounting may be had of receipts and expenditures of funds of each of the parties hereto.

(c) The treasurer shall make such reports as the Agency may direct.

(d) The fiscal year of the Agency shall be from January 1 through December 31.

### 13.14. Reimbursement

The Agency shall undertake any staffing assignments and responsibilities requested by the parties or anyone of them and the parties agree to reimburse Agency for such costs as it may incur in fulfilling these responsibilities in accordance with the provisions of this Paragraph 14.

In as much as the budget revenues and expenditures of the Agency and the parties are interrelated, it is agreed that the Agency's budget may be submitted, reviewed, and adopted as part of a combined budget for the Constituent Entities. Subsequent modification or amendment of the budgets of the parties as to an Agency administered activity shall deemed to effect a corresponding amendment of Agency's budget.

## JOINT EXERCISE OF POWERS AGREEMENT

### 14.15. Cost Allocation

Administrative costs, costs for retention of staff and any other administrative or equipment costs relating to implementation and carrying out the purposes of the Constituent Entities and such public social service programs as shall be jointly approved by City and County shall be placed under the control of Agency. Such costs shall be allocated pursuant to an approved Cost Allocation Plan by the Agency's appropriate cognizant agency in accordance with the Circular 74-4 A-87, or the current OMB Circular applicable to the Agency's Cost Allocation Plan.

### 15.16. Review by Parties

Notwithstanding the powers granted to the Agency and its governing board by Sections 3 and 4 hereof, except as provided below, the parties hereto shall review and must approve the following before such actions are considered final and authorized:

(a) The annual budget and any modification thereof, provided that any modification of the budget by a party for a program or activity for which Agency provides staff support exclusively to such party shall be deemed to have effected a corresponding modification of the Agency's budget subject to approval by only the ~~County Board governing board of Supervisor's and the City Council that party.~~

(b) The annual Capital Improvements Program and any modification thereof, provided that the budgeted amount for any item therein may be amended by ~~majority vote of the governing body of the entity or entities actually undertaking the improvement. Such an amendment so enacted shall be deemed to have been effected by all of the entities originally establishing the budget without further action by those entities not directly involved in the expenditure of the funds in question.~~

### 16.17. Audit

The Agency shall contract with a certified public accountant to make an annual audit of the accounts and records of the Agency. The minimum requirements of the audit shall be those prescribed by the Controller of the State of California for special districts under Section 26909 of the California Government Code and shall conform to generally accepted auditing standards. When such an audit of the accounts and records is made by a certified public accountant, a report thereof shall be filed as a public record with the City of Sacramento and the County of Sacramento. Such report shall be filed within six (6) months of the end of the accounting period.

### 17.18. Breach

If a default shall be made by any party hereto as to any covenant contained in this Agreement, such default shall not excuse said party from fulfilling its obligations under this Agreement.

### 18.19. Disposition of Assets; Surplus Money

Upon termination of this Agreement, all costs, expenses and charges legally incurred by the Agency shall be paid and discharged. The Agency shall distribute to the United States Government, the State or appropriate local agencies such property and funds as are lawfully required. The balance of such property and any surplus money on hand shall be distributed or

JOINT EXERCISE OF POWERS AGREEMENT

returned to the parties hereto equally except to the extent otherwise agreed upon by the parties.

**19.20. Severability**

Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

**20.21. Successors; Assignment**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, ~~neither~~ **no** party may assign any right or obligation hereunder without the consent of the other parties hereto.

**21.22. Procedures**

The procedures of the County of Sacramento shall be followed in compliance with the requirements of Section 6509 of the California Government Code, except that the Agency may determine by the adoption of a personnel policy the status of its own employees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Approved as to Form:

**CITY OF SACRAMENTO,**  
A municipal corporation

\_\_\_\_\_  
Senior Deputy City Attorney

Attest:

\_\_\_\_\_  
John F. Shirey, City Manager

\_\_\_\_\_  
Assistant City Clerk

**COUNTY OF SACRAMENTO**  
A political subdivision of  
the State of California

\_\_\_\_\_  
Clerk of the Board of Supervisors

\_\_\_\_\_  
Chairperson, Board of Supervisors

JOINT EXERCISE OF POWERS AGREEMENT

HOUSING AUTHORITY OF  
THE CITY OF SACRAMENTO,  
A public body, corporate and politic

---

Chairperson

HOUSING AUTHORITY OF  
THE COUNTY OF SACRAMENTO,  
A public body, corporate and politic

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Chairperson

Authorization to Execute Amended and Restated Sacramento Housing and  
Redevelopment Agency Joint Exercise of Powers Agreement

**RESOLUTION NO. \_\_\_\_\_**

**Adopted by the Housing Authority of the City of Sacramento**

on the date of

**Authorization To Execute Amended And Restated Sacramento Housing And  
Redevelopment Agency Joint Exercise Of Powers Agreement**

**BACKGROUND**

- A. In 1982, the City of Sacramento, the County of Sacramento, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento entered into a Joint Exercise of Powers Agreement (JPA) establishing the Sacramento Housing and Redevelopment Agency (SHRA) for the primary purpose of providing staffing for the City and County Housing Authorities and Redevelopment Agencies.
- B. In 1990, the JPA was amended to include devising, proposing, conducting, evaluating and administrating public social service programs.
- C. In 2011, the California Legislature enacted AB 1X 26, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012.
- D. The City of Sacramento, by Resolution Number 2012-018 (adopted on January 31, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the City and designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the City of Sacramento.
- E. The County of Sacramento, by Resolution Number 2012-0051 (adopted on January 24, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the County and designated the Housing Authority of the County of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the County of Sacramento.
- F. The remaining parties to the Joint Exercise of Powers Agreement desire to make minor amendments to the Agreement to remove references to the redevelopment agencies, recognizing that SHRA undertakes and funds capital improvements and revitalization programs, along with social services programs, and stating that the parties are not jointly and severally liable for the debts, liabilities and obligations of SHRA.

Authorization to Execute Amended and Restated Sacramento Housing and  
Redevelopment Agency Joint Exercise of Powers Agreement

- G. The proposed action to approve and execute the amended and restated Joint Exercise of Powers Agreement are considered administrative and management activities. As such, this action does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). The action is also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3).

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING  
AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

- Section 1. All evidence presented having been duly considered, the Housing Authority of the City of Sacramento approves the statements in the Background, above, including the environmental statements regarding this action, and finds them to be true and correct.
- Section 2. The Executive Director is authorized to execute the Amended and Restated Joint Exercise of Powers Agreement with the City of Sacramento, the County of Sacramento, and the Housing Authority of the County of Sacramento as attached hereto as Exhibit A.

**Table of Contents**

Exhibit A – Amended and Restated JPA

JOINT EXERCISE OF POWERS AGREEMENT

Exhibit A

JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT, dated as of April 20, 1982, and amended as of March 6, 1990, and amended again as of February \_\_, 2015 by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter "City"), COUNTY OF SACRAMENTO (hereinafter "County"), and ~~REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, the REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO,~~ the HOUSING AUTHORITY OF THE CITY OF SACRAMENTO and the HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO (both of which are hereinafter ~~the~~ "Constituent Entities").

RECITALS

WHEREAS, the Constituent Entities would benefit from access to a common staff; and

WHEREAS, City and County would benefit from the availability of an independent agency to devise, propose, conduct, evaluate, and administer public social service programs within the jurisdictions of both; and

WHEREAS, the parties to this Agreement desire to create an independent public agency pursuant to the Joint Powers Act (Section 6500, et seq., of the California Government Code), for the purposes of (1) providing staff services to the Constituent Entities and carrying out the housing ~~and redevelopment~~ functions within the respective jurisdictions of the City and County, and (2) devising, proposing, conducting, evaluating, and administering public social service programs, which may from time to time be approved by both City and County for joint administration and

WHEREAS, with the dissolution of redevelopment agencies, as of February 1, 2012, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento were no longer Constituent Entities of this Joint Powers Agency.

NOW, THEREFORE, the parties hereto agree as follows:

AGREEMENTS

1. Joint Powers Agency

There is hereby created the SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (hereinafter referred to as "Agency" or "Joint Powers Agency"). The Agency is created pursuant to the powers vested in the City and County and the Constituent Entities under Section 6500, et. seq., of the California Government Code.

2. Purpose of Joint Powers Agency

The Joint Powers Agency is formed for the purposes of (1) providing staff and employee services for the Constituent Entities and such other entities or bodies as may be from time to time approved by the Agency and the parties, for the purpose of providing to said entities staff services to enable those entities to carry out the housing ~~and redevelopment~~ functions invested by law in each of



## JOINT EXERCISE OF POWERS AGREEMENT

the Constituent Entities within the jurisdiction of the City and County, and (2) devising, proposing, conducting, evaluating, and administering such public social service, capital, and revitalization programs within the jurisdiction of City and County as are approved from time to time individually or by both City and County for joint administration by Agency. As used in this Agreement, "public social service programs" means those activities and functions of the City and County involved in providing aid or services or both to those persons within the jurisdiction of City and County who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby.

### 3. Authority of Joint Powers Agency

Except as otherwise provided in this Joint Powers Agreement and the Delegation of Powers to Sacramento Housing and Redevelopment Commission Agreement adopted by the Housing Authority and Redevelopment Agency of the City of Sacramento (Resolution HA 81-098 and RA 81-083, respectively), and the Housing Authority and Redevelopment Agency of the County of Sacramento (Resolution HA 1497 and RA 83, respectively), the Agency is hereby authorized, in its own name, to do all acts necessary to the exercise of authority for accomplishing the purposes set forth in Paragraph 2 above, including, but not limited to, any and all of the following acts:

- (a) Enter into contracts for staff and employee services;
- (b) Receive and expend funds;
- (c) Employ personnel, subject to the limitations set forth elsewhere in this Agreement;
- (d) Organize and train personnel;
- (e) Acquire such materials and equipment as are necessary to carry out the contracts which are executed;
- (f) Sue or be sued in its own name, except that no authority is granted to sue the City or County;
- (g) Evaluate performance of personnel;
- (h) Establish an annual budget and amendments thereto pursuant to the delegation agreement noted above;
- (i) Establish suitable reserves for the appropriate operation of the Agency pursuant to the delegation agreement noted above;
- (j) Acquire, lease, rent, manage, maintain, hold or dispose of equipment, materials, supplies and property;
- (k) Perform any other act or acts that may be required to accomplish the purposes of this Agreement and the contracts executed pursuant thereto.

### 4. Governing Board



## JOINT EXERCISE OF POWERS AGREEMENT

The Agency shall be administered by a governing board consisting of the members of the Sacramento Housing and Redevelopment Commission as they are appointed by provision of Chapter 2.29 of the Code of the County of Sacramento, and by provision of Section 2.80 250, et. seq., of the Municipal Code of the City of Sacramento. The provisions of the respective City and County Codes relating to the appointment, qualification, term of service and termination of commissioners shall apply equally to their services as members of the governing board of the Agency.

### 5. Meetings of the Governing Board

(a) Regular Meetings ~~The governing board shall hold its Sacramento Housing and Redevelopment Commission's regular meetings concurrently with~~ shall be held in the regular meetings of Agency's Commission Room or such other places as may be determined by the Sacramento Housing and Redevelopment Commission. ~~The date upon which, and the hour on dates and place of which, each such regular meeting times as directed by the Commission. shall be held shall be fixed to accord with the meetings of the Sacramento Housing and Redevelopment Commission.~~

(b) Special Meeting Special meetings of the governing board may be called in accordance with the provisions of Section 54956 of the California Government Code.

(c) Legal Notice All meetings of the governing board shall be held subject to the provisions of Section 54950 et seq. of the laws of the State of California Government Code dictating notice of meetings of public bodies. ~~to be given as soon as possible.~~

(d) Minutes The minutes of all meetings of the governing board shall be kept by the Clerk of the Agency and shall as soon as possible after each meeting but in no case more than seven (7) days after such meeting, be forwarded to each member of the governing board and the Clerk of the Board of Supervisors and the City Clerk of the parties hereto.

(e) Quorum A majority of the members of the governing board shall constitute a quorum for the transaction of business. Action shall be taken by the governing board in accordance with the rules and By-Laws of the Sacramento Housing and Redevelopment Commission as they now exist or from time to time may be amended.

### 6. Officers

The officers of the governing board shall be a chairman and vice chairman elected from among the members of the board for one (1) year terms in accordance with the provisions of the By-Laws of the Sacramento Housing and Redevelopment Commission.

### 7. Term

This Agreement shall remain in effect until terminated by action of any one of the parties hereto but in no case shall action to terminate this Agreement be effective until the next succeeding January 1, preceded by not less than one hundred eighty (180) days notice of termination served upon the Agency and the other parties to this Agreement.

## JOINT EXERCISE OF POWERS AGREEMENT

### 8. Contract Monitoring

The Agency shall have the duty and responsibility to monitor, evaluate and take corrective action relating to the performance of any and all contracts executed pursuant to this Agreement.

### 9. Staff

The County of Sacramento and the City of Sacramento shall jointly appoint an Executive Director of the Agency, after receipt of a confidential recommendation of the County Executive and the City Manager. The Executive Director shall serve at the pleasure of the appointing authorities and may be removed from office by either the County or the City after receipt of a confidential recommendation concerning the matter from the County Executive and the City Manager. The Executive Director shall be an employee of the Agency and be responsible for carrying out all staff functions for the Agency and shall hire, supervise and may dismiss all authorized staff of the Agency, subject to applicable personnel rules and procedures. The

Agency shall be the exclusive employer of staff. All current employees of the Housing Authority of the City of Sacramento and the Redevelopment Agency of the City of Sacramento shall automatically be transitioned as employees of the Agency. The employees shall retain all rights, privileges, benefits, seniority, etc., in effect at the time of the transition in accordance with applicable personnel rules and procedures. No staff or employee of the Agency shall have any employment rights within the parties hereto by virtue of its services on the staff of the Agency.

### 10. Separate Entity

The Agency shall be a public entity separate and apart from the parties. Unless, and to the extent otherwise agreed herein or by separate agreement, the debts, liabilities, and obligations of the Agency are not the debts, liabilities, and obligations of the parties.

(a) Notwithstanding the foregoing, the Constituent Entities remain obligated to maintain and continue the retirement contributions (CalPERS) and post-retirement benefit obligations (OPEB) for the Agency employees. The CalPERS and OPEB contributions shall be updated each year by an actuarial study prepared by a qualified, independent firm retained and paid for by Agency. These updated studies will be provided to the Constituent Entities and to the successor agencies to the redevelopment agencies of the City and the County in support of their respective Recognized Obligation Payment Schedules (ROPS) submissions to the California Department of Finance. The obligations in this subsection survive the termination of this Agreement.

(b) The parties recognize that the Agency, the Housing Authority of the City, and the Housing Authority of the County, along with the successor agencies to the redevelopment agencies of the City and the County, remain liable to and therefore obligated to continue to make debt service payments to the 2008 Banc of America Public Capital Corp. tax exempt financing for the 801 12<sup>th</sup> Street Building. The obligation in this subsection survives the termination of this Agreement and shall continue until the later of May 31, 2043, or when such tax-exempt financing is defeased or repaid.

## JOINT EXERCISE OF POWERS AGREEMENT

(c) This amendment does not modify the parties' obligations for debt, liabilities, and obligations of the Agency which accrued prior to the approval of this amendment to this Agreement on February 24, 2015, nor does this amendment to the Agreement modify or amend any existing contractual agreements between the Agency and one or more of the parties assigning liability or providing indemnification to the Agency.

### 10.11. Legal Counsel

The Agency shall have a Legal Counsel who shall remain independent of the County Counsel of the County of Sacramento or the City Attorney of the City of Sacramento.

### 11.12. Reports

Commencing January 1, 1983 and not less than annually thereafter during the term of this Agreement, the Agency shall make reports to the parties hereto and any and all other individuals or agencies that may be appropriate. Additional reports may be made from time to time as circumstances may require. Said reports shall contain but not be limited to proposed plans and status of existing plans, programs, contracts and such other subjects as the parties may determine.

### 12.13. Funds: Accountability

(a) The Executive Director of the Agency shall designate the Agency's Director of Finance as treasurer of the Joint Powers Agency. The treasurer is designated as the depository of the Agency to have custody of all money from whatever source, and as such to have the powers, duties and responsibilities specified in Section 6505.56 of the Government Code of the State of California.

(b) The treasurer shall establish such records and accounting procedures as are required by the Agency and be generally accepted accounting principles. In particular, the funds received under each contract executed pursuant hereto shall be managed in such a manner that accounting may be had of receipts and expenditures of funds of each of the parties hereto.

(c) The treasurer shall make such reports as the Agency may direct.

(d) The fiscal year of the Agency shall be from January 1 through December 31.

### 13.14. Reimbursement

The Agency shall undertake any staffing assignments and responsibilities requested by the parties or anyone of them and the parties agree to reimburse Agency for such costs as it may incur in fulfilling these responsibilities in accordance with the provisions of this Paragraph 14.

In as much as the budget revenues and expenditures of the Agency and the parties are interrelated, it is agreed that the Agency's budget may be submitted, reviewed, and adopted as part of a combined budget for the Constituent Entities. Subsequent modification or amendment of the budgets of the parties as to an Agency administered activity shall deemed to effect a corresponding amendment of Agency's budget.

## JOINT EXERCISE OF POWERS AGREEMENT

### 14.15. Cost Allocation

Administrative costs, costs for retention of staff and any other administrative or equipment costs relating to implementation and carrying out the purposes of the Constituent Entities and such public social service programs as shall be jointly approved by City and County shall be placed under the control of Agency. Such costs shall be allocated pursuant to an approved Cost Allocation Plan by the Agency's appropriate cognizant agency in accordance with the Circular 74-4 A-87, or the current OMB Circular applicable to the Agency's Cost Allocation Plan.

### 15.16. Review by Parties

Notwithstanding the powers granted to the Agency and its governing board by Sections 3 and 4 hereof, except as provided below, the parties hereto shall review and must approve the following before such actions are considered final and authorized:

(a) The annual budget and any modification thereof, provided that any modification of the budget by a party for a program or activity for which Agency provides staff support exclusively to such party shall be deemed to have effected a corresponding modification of the Agency's budget subject to approval by only the ~~County Board governing board of Supervisor's and the City Council~~ that party.

(b) The annual Capital Improvements Program and any modification thereof, provided that the budgeted amount for any item therein may be amended by ~~majority vote of the governing body of the entity or entities actually undertaking the improvement. Such an amendment so enacted shall be deemed to have been effected by all of the entities originally establishing the budget without further action by those entities not directly involved in the expenditure of the funds in question.~~

### 16.17. Audit

The Agency shall contract with a certified public accountant to make an annual audit of the accounts and records of the Agency. The minimum requirements of the audit shall be those prescribed by the Controller of the State of California for special districts under Section 26909 of the California Government Code and shall conform to generally accepted auditing standards. When such an audit of the accounts and records is made by a certified public accountant, a report thereof shall be filed as a public record with the City of Sacramento and the County of Sacramento. Such report shall be filed within six (6) months of the end of the accounting period.

### 17.18. Breach

If a default shall be made by any party hereto as to any covenant contained in this Agreement, such default shall not excuse said party from fulfilling its obligations under this Agreement.

### 18.19. Disposition of Assets; Surplus Money

Upon termination of this Agreement, all costs, expenses and charges legally incurred by the Agency shall be paid and discharged. The Agency shall distribute to the United States Government, the State or appropriate local agencies such property and funds as are lawfully required. The balance of such property and any surplus money on hand shall be distributed or



JOINT EXERCISE OF POWERS AGREEMENT

returned to the parties hereto equally except to the extent otherwise agreed upon by the parties.

**19.20. Severability**

Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

**20.21. Successors; Assignment**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, ~~neither~~ **no** party may assign any right or obligation hereunder without the consent of the other parties hereto.

**21.22. Procedures**

The procedures of the County of Sacramento shall be followed in compliance with the requirements of Section 6509 of the California Government Code, except that the Agency may determine by the adoption of a personnel policy the status of its own employees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Approved as to Form:

**CITY OF SACRAMENTO,**  
A municipal corporation

\_\_\_\_\_  
Senior Deputy City Attorney

Attest:

\_\_\_\_\_  
John F. Shirey, City Manager

\_\_\_\_\_  
Assistant City Clerk

**COUNTY OF SACRAMENTO**  
A political subdivision of  
the State of California

\_\_\_\_\_  
Clerk of the Board of Supervisors

\_\_\_\_\_  
Chairperson, Board of Supervisors

JOINT EXERCISE OF POWERS AGREEMENT

HOUSING AUTHORITY OF  
THE CITY OF SACRAMENTO,  
A public body, corporate and politic

---

Chairperson

HOUSING AUTHORITY OF  
THE COUNTY OF SACRAMENTO,  
A public body, corporate and politic

---

Chairperson

Agreement with the Sacramento Housing and Redevelopment Agency Regarding  
Payment of Redevelopment Agency Debts

**RESOLUTION NO. \_\_\_\_\_**

**Adopted by the Redevelopment Agency Successor Agency of  
the City of Sacramento**

on date of

**AUTHORIZATION TO EXECUTE AGREEMENT WITH THE SACRAMENTO HOUSING  
AND REDEVELOPMENT AGENCY REGARDING PAYMENT OF REDEVELOPMENT  
AGENCY DEBTS**

**BACKGROUND**

- A. In 2011 the California Legislature enacted AB 1X 26, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012.
- B. The City of Sacramento, by Resolution Number 2012-018 (adopted on January 31, 2012), elected to serve as the Redevelopment Agency Successor Agency to the Redevelopment Agency (RASA) of the City of Sacramento and designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the City of Sacramento.
- C. AB 1X 26 provided that successor agencies were only authorized to expeditiously wind down the affairs of the dissolved redevelopment agencies and could not engage in any redevelopment activities.
- D. Successor agencies are required under AB 1X 26, specifically Health and Safety Code section 34171(d)(1)(C), to continue payment of pre-existing obligations, including the retirement contributions and post retirement benefit obligations, of the former redevelopment agency employees.
- E. Successor agencies are also required under AB 1X 26, specifically Health and Safety Code section 34171(e), to pay "Indebtedness Obligations," which include payment of the 2008 Bank of America Public Capital Corporation tax-exempt financing for the City Redevelopment Agency's portion of SHRA's 801 12<sup>th</sup> Street building.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE  
REDEVELOPMENT AGENCY SUCCESSOR AGENCY RESOLVES AS FOLLOWS:**

Section 1. Acknowledges and affirms that as the Redevelopment Agency Successor Agency for the former Redevelopment Agency of the City of Sacramento, due to its limited powers, did not become a party to the Joint Exercise of Powers Agreement and is not part of the Sacramento Housing and Redevelopment Agency.

Agreement with the Sacramento Housing and Redevelopment Agency Regarding  
Payment of Redevelopment Agency Debts

Section 2. Subject to the approval of the Oversight Board and the California Department of Finance, the City Manager, on behalf of the Redevelopment Agency Successor Agency (RASA) is authorized to execute an agreement with the Sacramento Housing and Redevelopment Agency whereby the RASA pledges to include on its Recognized Obligation Payment Schedules payments for the retirement pension liabilities and post-retirement medical benefit obligations for the employees of the former Redevelopment Agency of the City of Sacramento based on actuarial studies, and payment of the former Redevelopment Agency of the City of Sacramento's share of the debt payment for the 2008 Bank of America Public Capital Corporation's tax exempt financing for the 801 12<sup>th</sup> Street building, as required under Health and Safety Code § 34171.





February 13, 2015

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Authorization To Execute Amended and Restated Sacramento Housing and  
Redevelopment Agency Joint Exercise of Powers Agreement

SUMMARY

The attached report is submitted to you for review prior to consideration by the County  
of Sacramento.

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,



LA SHELLE DOZIER  
Executive Director

Attachment

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
February 24, 2015

To: Board of Supervisors, Housing Authority, and Redevelopment Agency Successor Agency

From: Sacramento Housing and Redevelopment Agency

Subject: Authorization To Execute Amended And Restated Sacramento Housing And Redevelopment Agency Joint Exercise Of Powers Agreement

Supervisory District: All

Contact: David Levin, SHRA General Counsel, (916) 440-1304; La Shelle Dozier, Executive Director (916) 440-1319.

**Overview**

The proposed action is a technical clean-up of the existing Joint Exercise of Powers Agreement creating the Sacramento Housing and Redevelopment Agency (SHRA), necessitated by the dissolution of Redevelopment Agencies in California. In addition, it will expressly state that the Constituent Entities of SHRA are not jointly and severally liable, with certain specified exceptions, for the debts, liabilities and obligations of SHRA.

**Recommendations**

- 1) Approve a County Board of Supervisors Resolution authorizing the Chair of the Board of Supervisors to execute the amended and restated Sacramento Housing and Redevelopment Agency (SHRA) Joint Exercise of Powers Agreement (JPA).
- 2) Approve a Housing Authority Resolution authorizing the Executive Director of the Housing Authority of the County of Sacramento to execute the amended and restated SHRA Joint Exercise of Powers Agreement.
- 3) Approve a Redevelopment Agency Successor Agency Resolution (a) acknowledging that the Redevelopment Agency Successor Agency (RASA) for the County of Sacramento was not a party to the JPA or a member of SHRA, and (b) subject to the approval of the Sacramento County RASA Oversight Board and the California Department of Finance, the County Executive, on behalf of RASA, is authorized to execute an agreement with SHRA to pledge that payments for the retirement and post-retirement medical benefit obligations for former County Redevelopment Agency employees and a portion of the debt payment for the 801 12th Street building continue to be placed on all Recognized Obligation Payment Schedules.

**Measures/Evaluation**

Not applicable.

**Fiscal Impact**

No action is required and no fiscal changes are being recommended.

## **BACKGROUND**

The Redevelopment Agencies of the County of Sacramento and the City of Sacramento, along with the City and County and their respective housing authorities, were parties to the original Joint Powers Agreement (JPA or Agreement) which formed SHRA. With the dissolution of the Redevelopment Agencies in 2012, it was unclear whether the successor agencies became parties to the JPA. Because successor agencies have very limited powers, it was determined that they could not become parties to the JPA. However, they do have certain obligations to pay a portion of the former Redevelopment Agency's debts. The remaining parties to the JPA desire to make minor amendments to the Agreement to remove references to the Redevelopment Agencies, recognize that SHRA undertakes and funds capital improvements and revitalization programs in addition to social service programs, and include a new provision which states that the parties are not jointly and severally liable for the debts, liabilities and obligations of SHRA.

In 1982, the County of Sacramento, the City of Sacramento, the Housing Authority of the County of Sacramento, the Housing Authority of the City of Sacramento, the Redevelopment Agency of the County of Sacramento and the Redevelopment Agency of the City of Sacramento entered into the JPA to establish SHRA for the primary purpose of providing staffing for the County and County Housing Authorities and Redevelopment Agencies. In 1990, the JPA was amended to include "devising, proposing, conducting, evaluating and administering public social service programs".

In 2011, the California Legislature enacted AB 1X 26 which, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012. The County of Sacramento, by Resolution Number 2012-0051 (adopted on January 24, 2012), elected to serve as the Redevelopment Agency Successor Agency (RASA) to the County Redevelopment Agency and designated the Housing Authority of the County of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency.

Under the dissolution law (Health and Safety Code section 34171), a successor agency is required to pay the debts of the former redevelopment agency. Such debts include the obligation to pay the pension and post-retirement medical benefit liabilities of the prior SHRA employees who served as County Redevelopment Agency staff. SHRA has obtained actuarial studies to establish the amount of such payments, and these studies will need to be updated annually. In addition, the successor agency must pay the County Redevelopment Agency's share of the debt under the 2008 Bank of America Public Capital Corporation tax-exempt financing for the SHRA building at 801 12th Street. The RASA has been making these payments but because the RASA is not a party to the JPA, a separate agreement is required to formalize the RASA pledge to continue to include these liabilities and debt payments on the Recognized Obligation Payment Schedules. This agreement requires approval of the Oversight Board and the State Department of Finance, and such approvals will give SHRA assurance that the RASA can continue to make such payments.

### **DISCUSSION**

The existing, 1990 amended version of the Joint Exercise of Powers Agreement includes the Redevelopment Agencies of the County and the City of Sacramento as parties to the JPA and members of SHRA. The proposed amendment eliminates references to these dissolved agencies and updates the text to accurately reflect the current activities of SHRA. The proposed amendment also provides that the parties to the Joint Exercise of Powers Agreement are not jointly and severally liable for the debts, liabilities and obligations of SHRA. Finally, the Agreement recitals clarify that the Redevelopment Agency Successor Agency did not become a successor party as defined in the Joint Exercise of Powers Agreement due to its limited powers.

### **COMMISSION ACTION**

It is anticipated that, at its meeting of February 18, 2015, the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Board in the event this does not occur.

### **MEASURES/EVALUATIONS**

Not applicable.

### **FINANCIAL ANALYSIS**

Not applicable.

### **POLICY CONSIDERATIONS**

Not applicable.

### **ENVIRONMENTAL REVIEW**

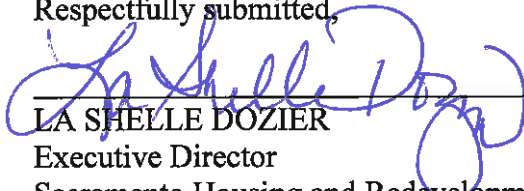
The recommended activity is not a project under California Environmental Quality Act (CEQA) 15378(b)(5) and no environmental review is required. The recommended action is an exempt activity under National Environmental Policy Act (NEPA), 24 CFR 58.34(a)(3).

### **M/WBE/SECTION 3 AND FIRST SOURCE CONSIDERATIONS**

Not applicable.

Authorization To Execute Amended And Restated Sacramento Housing And Redevelopment  
Agency Joint Exercise Of Powers Agreement  
Page 4

Respectfully submitted,



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LA SHELLE DOZIER  
Executive Director  
Sacramento Housing and Redevelopment Agency

APPROVED

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BRADLEY J. HUDSON  
County Executive

Attachments:

- RES – County BOS Resolution
- RES – HACOS Resolution
- RES – RASA Resolution
- EX 1 – JPA Amendment

## **RESOLUTION NO.**

### **AUTHORIZATION TO EXECUTE AMENDED AND RESTATED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY JOINT EXERCISE OF POWERS AGREEMENT**

**WHEREAS**, in 1982, the City of Sacramento, the County of Sacramento, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento entered into a Joint Exercise of Powers Agreement (JPA) establishing the Sacramento Housing and Redevelopment Agency (SHRA) for the primary purpose of providing staffing for the City and County Housing Authorities and Redevelopment Agencies;

**WHEREAS**, in 1990, the JPA was amended to include devising, proposing, conducting, evaluating and administrating public social service programs;

**WHEREAS**, in 2011, the California Legislature enacted AB 1X 26, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012;

**WHEREAS**, the County of Sacramento, by Resolution Number 2012-0051 (adopted on January 24, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the County and designated the Housing Authority of the County of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the County of Sacramento.

**WHEREAS**, the City of Sacramento, by Resolution Number 2012-018 (adopted on January 31, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the City and designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the City of Sacramento.

**WHEREAS**, the remaining parties to the Joint Powers Agreement desire to make minor amendments to the Agreement removing the references remove references to the redevelopment agencies, recognize that SHRA undertakes and funds capital improvements and revitalization programs, along with social services programs, and stating that the parties are not jointly and severally liable for the debts, liabilities and obligations of SHRA; and

**WHEREAS**, the proposed action to approve and execute the amended and restated Joint Exercise of Powers Agreement are considered administrative and management activities. As such,

this action does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). This action is also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3).

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO**

Section 1. The Chair of the Board of Supervisors is authorized to execute the Amended and Restated Joint Exercise of Powers Agreement with the Housing Authority of the City of Sacramento, the City of Sacramento, and the Housing Authority of the County of Sacramento as attached hereto as Exhibit 1.

On a motion by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 24<sup>th</sup> day of February, 2015, by the following vote, to wit:

AYES: Supervisors,  
NOES: Supervisors,  
ABSENT: Supervisors,  
ABSTAIN: Supervisors,

---

Chair of the Board of Supervisors  
of Sacramento County, California

SEAL

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

## **RESOLUTION NO.**

### **ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO**

#### **AUTHORIZATION TO EXECUTE AMENDED AND RESTATED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY JOINT EXERCISE OF POWERS AGREEMENT**

**WHEREAS**, in 1982, the City of Sacramento, the County of Sacramento, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento entered into a Joint Exercise of Powers Agreement (JPA) establishing the Sacramento Housing and Redevelopment Agency (SHRA) for the primary purpose of providing staffing for the City and County Housing Authorities and Redevelopment Agencies;

**WHEREAS**, in 1990, the JPA was amended to include devising, proposing, conducting, evaluating and administrating public social service programs;

**WHEREAS**, in 2011, the California Legislature enacted AB 1X 26, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012;

**WHEREAS**, the County of Sacramento, by Resolution Number 2012-0051 (adopted on January 24, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the County and designated the Housing Authority of the County of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the County of Sacramento.

**WHEREAS**, the City of Sacramento, by Resolution Number 2012-018 (adopted on January 31, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the City and designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the City of Sacramento.



**WHEREAS**, the remaining parties to the Joint Powers Agreement desire to make minor amendments to the Agreement removing the references remove references to the redevelopment agencies, recognize that SHRA undertakes and funds capital improvements and revitalization programs, along with social services programs, and stating that the parties are not jointly and severally liable for the debts, liabilities and obligations of SHRA; and

**WHEREAS**, the proposed action to approve and execute the amended and restated Joint Exercise of Powers Agreement are considered administrative and management activities. As such, this action does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). This action is also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3).

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SACRAMENTO**

Section 1. The Executive Director, or designee, shall be authorized to execute the Amended and Restated Joint Exercise of Powers Agreement with the Housing Authority of the City of Sacramento, the County of Sacramento, and the City of Sacramento as attached hereto as Exhibit 1.

Amended and Restated Sacramento Housing and Redevelopment  
Agency Joint Exercise of Powers Agreement  
Page 3

On a motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_,  
the foregoing Resolution was passed and adopted by the Housing Authority of the County of  
Sacramento, State of California this 24<sup>th</sup> day of February, 2015, by the following vote, to wit:

AYES: Members,  
NOES: Members,  
ABSENT: Members,  
ABSTAIN: Members,

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Chair of the Housing Authority  
of Sacramento County, California

SEAL

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

**RESOLUTION NO. \_\_\_\_\_**

**ADOPTED BY THE REDEVELOPMENT SUCCESSOR TO THE REDEVELOPMENT  
AGENCY OF THE COUNTY OF SACRAMENTO**

**AUTHORIZATION TO EXECUTE AMENDED AND RESTATED SACRAMENTO  
HOUSING AND REDEVELOPMENT AGENCY JOINT EXERCISE OF POWERS  
AGREEMENT**

**WHEREAS**, in 2011 the California Legislature enacted AB 1X 26, which coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies in California as of February 1, 2012.

**WHEREAS**, the County of Sacramento, by Resolution Number 2012-0051 (adopted on January 24, 2012), elected to serve as the Redevelopment Agency Successor Agency (RASA) to the Redevelopment Agency of the County of Sacramento and designated the Housing Authority of the County of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the County of Sacramento.

**WHEREAS**, AB 1X 26 provided that successor agencies were only authorized to expeditiously wind down the affairs of the dissolved redevelopment agencies and couldn't engage in any redevelopment activities.

**WHEREAS**, the Successor Agencies are required under AB 1X 26, specifically Health and Safety Code section 34171(d)(1)(C), to continue payment of pre-existing obligations, including the retirement contributions and post retirement benefit obligations, of the former Redevelopment Agency employees.

**WHEREAS**, the Successor Agencies are also required under AB 1X 26, specifically Health and Safety Code section 34171(e), to pay "Indebtedness Obligations," which include payment of the 2008 Bank of America Public Capital Corporation tax exempt financing for the County Redevelopment Agency's portion of Sacramento Housing and Redevelopment Agency's (SHRA) 801 12th Street building.

**NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO**

Section 1. Acknowledges and affirms that as the RASA for the former Redevelopment Agency of the County of Sacramento, due to its limited powers, did not become a party to the Joint Exercise of Powers Agreement and is not part of SHRA.

Section 2. Subject to the approval of the Sacramento County RASA Oversight Board and the California Department of Finance (DOF), the County Executive, on behalf of the RASA, is authorized to execute an agreement with SHRA whereby the RASA pledges to continue to include on all Recognized Obligation Payment Schedules payments for the retirement pension liabilities and post-retirement medical benefit obligations for the employees of the former Redevelopment Agency of the County of Sacramento based on actuarial studies (as required under Health and Safety Code § 34171), and payment of the former Redevelopment Agency of the County of Sacramento's share of the debt payment for the 2008 Bank of America Public Capital Corporate tax exempt financing for the 801 12th Street building.

Authorization To Execute Amended And Restated Sacramento Housing And Redevelopment Agency Joint Exercise Of Powers Agreement  
Page 3

On a motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Redevelopment Agency of the County of Sacramento, State of California this 24<sup>th</sup> day of February, 2015, by the following vote, to wit:

AYES: Members,

NOES: Members,

ABSENT: Members,

ABSTAIN: Members,

\_\_\_\_\_  
Chair of the Redevelopment Successor  
Agency of the Redevelopment Agency of  
the County of Sacramento

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk

## ATTACHMENT II

### JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT, dated as of April 20, 1982, and amended as of March 6, 1990, and amended again as of February \_\_, 2015 by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter "City"), COUNTY OF SACRAMENTO (hereinafter "County"), and ~~REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, the REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO,~~ the HOUSING AUTHORITY OF THE CITY OF SACRAMENTO and the HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO (both of which are hereinafter the "Constituent Entities").

### RECITALS

WHEREAS, the Constituent Entities would benefit from access to a common staff; and

WHEREAS, City and County would benefit from the availability of an independent agency to devise, propose, conduct, evaluate, and administer public social service programs within the jurisdictions of both; and

WHEREAS, the parties to this Agreement desire to create an independent public agency pursuant to the Joint Powers Act (Section 6500, et seq., of the California Government Code), for the purposes of (1) providing staff services to the Constituent Entities and carrying out the housing ~~and redevelopment~~ functions within the respective jurisdictions of the City and County, and (2) devising, proposing, conducting, evaluating, and administering public social service programs, which may from time to time be approved by both City and County for joint administration and

WHEREAS, with the dissolution of redevelopment agencies, as of February 1, 2012, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento were no longer Constituent Entities of this Joint Powers Agency.

NOW, THEREFORE, the parties hereto agree as follows:

### AGREEMENTS

#### 1. Joint Powers Agency

There is hereby created the SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (hereinafter referred to as "Agency" or "Joint Powers Agency"). The Agency is created pursuant to the powers vested in the City and County and the Constituent Entities under Section 6500, et. seq., of the California Government Code.

#### 2. Purpose of Joint Powers Agency

The Joint Powers Agency is formed for the purposes of (1) providing staff and employee services for the Constituent Entities and such other entities or bodies as may be from time to time approved by the Agency and the parties, for the purpose of providing to said entities staff services to enable those entities to carry out the housing ~~and redevelopment~~ functions invested by law in each of

## JOINT EXERCISE OF POWERS AGREEMENT

the Constituent Entities within the jurisdiction of the City and County, and (2) devising, proposing, conducting, evaluating, and administering such public social service, capital, and revitalization programs within the jurisdiction of City and County as are approved from time to time individually or by both City and County for joint administration by Agency. As used in this Agreement, "public social service programs" means those activities and functions of the City and County involved in providing aid or services or both to those persons within the jurisdiction of City and County who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby.

### 3. Authority of Joint Powers Agency

Except as otherwise provided in this Joint Powers Agreement and the Delegation of Powers to Sacramento Housing and Redevelopment Commission Agreement adopted by the Housing Authority and Redevelopment Agency of the City of Sacramento (Resolution HA 81-098 and RA 81-083, respectively), and the Housing Authority and Redevelopment Agency of the County of Sacramento (Resolution HA 1497 and RA 83, respectively), the Agency is hereby authorized, in its own name, to do all acts necessary to the exercise of authority for accomplishing the purposes set forth in Paragraph 2 above, including, but not limited to, any and all of the following acts:

- (a) Enter into contracts for staff and employee services;
- (b) Receive and expend funds;
- (c) Employ personnel, subject to the limitations set forth elsewhere in this Agreement;
- (d) Organize and train personnel;
- (e) Acquire such materials and equipment as are necessary to carry out the contracts which are executed;
- (f) Sue or be sued in its own name, except that no authority is granted to sue the City or County;
- (g) Evaluate performance of personnel;
- (h) Establish an annual budget and amendments thereto pursuant to the delegation agreement noted above;
- (i) Establish suitable reserves for the appropriate operation of the Agency pursuant to the delegation agreement noted above;
- (j) Acquire, lease, rent, manage, maintain, hold or dispose of equipment, materials, supplies and property;
- (k) Perform any other act or acts that may be required to accomplish the purposes of this Agreement and the contracts executed pursuant thereto.

### 4. Governing Board

## JOINT EXERCISE OF POWERS AGREEMENT

The Agency shall be administered by a governing board consisting of the members of the Sacramento Housing and Redevelopment Commission as they are appointed by provision of Chapter 2.29 of the Code of the County of Sacramento, and by provision of Section 2.80 250, et seq., of the Municipal Code of the City of Sacramento. The provisions of the respective City and County Codes relating to the appointment, qualification, term of service and termination of commissioners shall apply equally to their services as members of the governing board of the Agency.

### 5. Meetings of the Governing Board

(a) Regular Meetings ~~The governing board shall hold its Sacramento Housing and Redevelopment Commission's regular meetings concurrently with~~ shall be held in the regular meetings of Agency's Commission Room or such other places as may be determined by the Sacramento Housing and Redevelopment Commission. The date upon which, and the hour on dates and place of which, each such regular meeting times as directed by the Commission. ~~shall be held shall be fixed to accord with the meetings of the Sacramento Housing and Redevelopment Commission.~~

(b) Special Meeting Special meetings of the governing board may be called in accordance with the provisions of Section 54956 of the California Government Code.

(c) Legal Notice All meetings of the governing board shall be held subject to the provisions of Section 54950 et seq. of the laws of the State of California Government Code dictating notice of meetings of public bodies. ~~to be given as soon as possible.~~

(d) Minutes The minutes of all meetings of the governing board shall be kept by the Clerk of the Agency and shall as soon as possible after each meeting but in no case more than seven (7) days after such meeting, be forwarded to each member of the governing board and the Clerk of the Board of Supervisors and the City Clerk of the parties hereto.

(e) Quorum A majority of the members of the governing board shall constitute a quorum for the transaction of business. Action shall be taken by the governing board in accordance with the rules and By-Laws of the Sacramento Housing and Redevelopment Commission as they now exist or from time to time may be amended.

### 6. Officers

The officers of the governing board shall be a chairman and vice chairman elected from among the members of the board for one (1) year terms in accordance with the provisions of the By-Laws of the Sacramento Housing and Redevelopment Commission.

### 7. Term

This Agreement shall remain in effect until terminated by action of any one of the parties hereto but in no case shall action to terminate this Agreement be effective until the next succeeding January 1, preceded by not less than one hundred eighty (180) days notice of termination served upon the Agency and the other parties to this Agreement.



## JOINT EXERCISE OF POWERS AGREEMENT

### 8. Contract Monitoring

The Agency shall have the duty and responsibility to monitor, evaluate and take corrective action relating to the performance of any and all contracts executed pursuant to this Agreement.

### 9. Staff

The County of Sacramento and the City of Sacramento shall jointly appoint an Executive Director of the Agency, after receipt of a confidential recommendation of the County Executive and the City Manager. The Executive Director shall serve at the pleasure of the appointing authorities and may be removed from office by either the County or the City after receipt of a confidential recommendation concerning the matter from the County Executive and the City Manager. The Executive Director shall be an employee of the Agency and be responsible for carrying out all staff functions for the Agency and shall hire, supervise and may dismiss all authorized staff of the Agency, subject to applicable personnel rules and procedures. The

Agency shall be the exclusive employer of staff. All current employees of the Housing Authority of the City of Sacramento and the Redevelopment Agency of the City of Sacramento shall automatically be transitioned as employees of the Agency. The employees shall retain all rights, privileges, benefits, seniority, etc., in effect at the time of the transition in accordance with applicable personnel rules and procedures. No staff or employee of the Agency shall have any employment rights within the parties hereto by virtue of its services on the staff of the Agency.

### 10. Separate Entity

The Agency shall be a public entity separate and apart from the parties. Unless, and to the extent otherwise agreed herein or by separate agreement, the debts, liabilities, and obligations of the Agency are not the debts, liabilities, and obligations of the parties.

(a) Notwithstanding the foregoing, the Constituent Entities remain obligated to maintain and continue the retirement contributions (CalPERS) and post-retirement benefit obligations (OPEB) for the Agency employees. The CalPERS and OPEB contributions shall be updated each year by an actuarial study prepared by a qualified, independent firm retained and paid for by Agency. These updated studies will be provided to the Constituent Entities and to the successor agencies to the redevelopment agencies of the City and the County in support of their respective Recognized Obligation Payment Schedules (ROPS) submissions to the California Department of Finance. The obligations in this subsection survive the termination of this Agreement.

(b) The parties recognize that the Agency, the Housing Authority of the City, and the Housing Authority of the County, along with the successor agencies to the redevelopment agencies of the City and the County, remain liable to and therefore obligated to continue to make debt service payments to the 2008 Banc of America Public Capital Corp. tax exempt financing for the 801 12<sup>th</sup> Street Building. The obligation in this subsection survives the termination of this Agreement and shall continue until the later of May 31, 2043, or when such tax-exempt financing is defeased or repaid.

## JOINT EXERCISE OF POWERS AGREEMENT

(c) This amendment does not modify the parties' obligations for debt, liabilities, and obligations of the Agency which accrued prior to the approval of this amendment to this Agreement on February 24, 2015, nor does this amendment to the Agreement modify or amend any existing contractual agreements between the Agency and one or more of the parties assigning liability or providing indemnification to the Agency.

### ~~10.~~ 11. Legal Counsel

The Agency shall have a Legal Counsel who shall remain independent of the County Counsel of the County of Sacramento or the City Attorney of the City of Sacramento.

### ~~11.~~ 12. Reports

Commencing January 1, 1983 and not less than annually thereafter during the term of this Agreement, the Agency shall make reports to the parties hereto and any and all other individuals or agencies that may be appropriate. Additional reports may be made from time to time as circumstances may require. Said reports shall contain but not be limited to proposed plans and status of existing plans, programs, contracts and such other subjects as the parties may determine.

### ~~12.~~ 13. Funds: Accountability

(a) The Executive Director of the Agency shall designate the Agency's Director of Finance as treasurer of the Joint Powers Agency. The treasurer is designated as the depository of the Agency to have custody of all money from whatever source, and as such to have the powers, duties and responsibilities specified in Section 6505.56 of the Government Code of the State of California.

(b) The treasurer shall establish such records and accounting procedures as are required by the Agency and be generally accepted accounting principles. In particular, the funds received under each contract executed pursuant hereto shall be managed in such a manner that accounting may be had of receipts and expenditures of funds of each of the parties hereto.

(c) The treasurer shall make such reports as the Agency may direct.

(d) The fiscal year of the Agency shall be from January 1 through December 31.

### ~~13.~~ 14. Reimbursement

The Agency shall undertake any staffing assignments and responsibilities requested by the parties or anyone of them and the parties agree to reimburse Agency for such costs as it may incur in fulfilling these responsibilities in accordance with the provisions of this Paragraph 14.

In as much as the budget revenues and expenditures of the Agency and the parties are interrelated, it is agreed that the Agency's budget may be submitted, reviewed, and adopted as part of a combined budget for the Constituent Entities. Subsequent modification or amendment of the budgets of the parties as to an Agency administered activity shall deemed to effect a corresponding amendment of Agency's budget.

## JOINT EXERCISE OF POWERS AGREEMENT

### 14.15. Cost Allocation

Administrative costs, costs for retention of staff and any other administrative or equipment costs relating to implementation and carrying out the purposes of the Constituent Entities and such public social service programs as shall be jointly approved by City and County shall be placed under the control of Agency. Such costs shall be allocated pursuant to an approved Cost Allocation Plan by the Agency's appropriate cognizant agency in accordance with the Circular 74-4 A-87, or the current OMB Circular applicable to the Agency's Cost Allocation Plan.

### 15.16. Review by Parties

Notwithstanding the powers granted to the Agency and its governing board by Sections 3 and 4 hereof, except as provided below, the parties hereto shall review and must approve the following before such actions are considered final and authorized:

(a) The annual budget and any modification thereof, provided that any modification of the budget by a party for a program or activity for which Agency provides staff support exclusively to such party shall be deemed to have effected a corresponding modification of the Agency's budget subject to approval by only the ~~County Board governing board of Supervisor's and the City Council~~ that party.

(b) The annual Capital Improvements Program and any modification thereof, provided that the budgeted amount for any item therein may be amended by ~~majority vote of the governing body of the entity or entities actually undertaking the improvement. Such an amendment so enacted shall be deemed to have been effected by all of the entities originally establishing the budget without further action by those entities not directly involved in the expenditure of the funds in question.~~

### 16.17. Audit

The Agency shall contract with a certified public accountant to make an annual audit of the accounts and records of the Agency. The minimum requirements of the audit shall be those prescribed by the Controller of the State of California for special districts under Section 26909 of the California Government Code and shall conform to generally accepted auditing standards. When such an audit of the accounts and records is made by a certified public accountant, a report thereof shall be filed as a public record with the City of Sacramento and the County of Sacramento. Such report shall be filed within six (6) months of the end of the accounting period.

### 17.18. Breach

If a default shall be made by any party hereto as to any covenant contained in this Agreement, such default shall not excuse said party from fulfilling its obligations under this Agreement.

### 18.19. Disposition of Assets; Surplus Money

Upon termination of this Agreement, all costs, expenses and charges legally incurred by the Agency shall be paid and discharged. The Agency shall distribute to the United States Government, the State or appropriate local agencies such property and funds as are lawfully required. The balance of such property and any surplus money on hand shall be distributed or

JOINT EXERCISE OF POWERS AGREEMENT

returned to the parties hereto equally except to the extent otherwise agreed upon by the parties.

**19.20. Severability**

Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

**20.21. Successors; Assignment**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, ~~neither~~ **no** party may assign any right or obligation hereunder without the consent of the other parties hereto.

**21.22. Procedures**

The procedures of the County of Sacramento shall be followed in compliance with the requirements of Section 6509 of the California Government Code, except that the Agency may determine by the adoption of a personnel policy the status of its own employees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Approved as to Form:

**CITY OF SACRAMENTO,**  
A municipal corporation

\_\_\_\_\_  
Senior Deputy City Attorney

Attest:

\_\_\_\_\_  
John F. Shirey, City Manager

\_\_\_\_\_  
Assistant City Clerk

**COUNTY OF SACRAMENTO**  
A political subdivision of  
the State of California

\_\_\_\_\_  
Clerk of the Board of Supervisors

\_\_\_\_\_  
Chairperson, Board of Supervisors

JOINT EXERCISE OF POWERS AGREEMENT

HOUSING AUTHORITY OF  
THE CITY OF SACRAMENTO,  
A public body, corporate and politic

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Chairperson

HOUSING AUTHORITY OF  
THE COUNTY OF SACRAMENTO,  
A public body, corporate and politic

---

Chairperson



February 13, 2015

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval Of Bond Issuance For The Mutual Housing At Foothill Farms Project

SUMMARY

The attached report is submitted to you for review prior to consideration by the County of Sacramento.

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,

  
LA SHELLE DOZIER  
Executive Director

Attachment

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
February 24, 2015  
Timed: 10:30 am

To: Board of Supervisors and Housing Authority of the County of Sacramento

From: Housing Authority of the County of Sacramento

Subject: Tax Equity And Fiscal Responsibility Act (TEFRA) Hearing And Approval Of Bond Issuance For The Mutual Housing At Foothill Farms

Supervisory District: Peters

Contact: Christine Weichert, Assistant Director, Development Finance 440-1353  
Tyrone Roderick Williams, Director, Development, 440-1316

**Overview**

This report recommends approval of up to \$14,000,000 in tax-exempt mortgage revenue bonds for the acquisition, rehabilitation, and permanent financing of the Mutual Housing at Foothill Farms affordable housing project ("Project"). In order for the Developer's California Debt Limit Allocation Committee (CDLAC) application to be complete, the Board of Supervisors must adopt a resolution indicating they have held the required Tax Equity Financial Responsibility Act (TEFRA) public hearing.

**Recommendations**

1. Approve the attached Board of Supervisor Resolution approving the issuance of the obligations by the Housing Authority of County of Sacramento of not more than \$14,000,000 in tax-exempt mortgage revenue bonds to provide for the acquisition, rehabilitation, and permanent financing for the Mutual Housing at Foothill Farms affordable housing project and; indicates that the Board of Supervisors has conducted a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing related to the proposed acquisition, rehabilitation, and permanent financing of the Projects.
2. Approve the Housing Authority Resolution authorizing the issuance of not more than \$14,000,000 in tax-exempt mortgage revenue bonds to provide for the acquisition, rehabilitation, and permanent financing for the Mutual Housing at Foothill Farms affordable housing project, and authorize an application to the California Debt Limit Allocation Committee (CDLAC) for allocation authority to issue the bonds.

The clerk is requested to certify six copies of the resolutions and forward them to staff.

**Measures/Evaluation**

This development will rehabilitate, preserve and extend 97 units of affordable housing, contributing to the Counties 2013-2021 Housing Element goals. Affordability restrictions placed on the Mutual Housing at Foothill Farms will be monitored by the Agency for 55 years.

**Fiscal Impact**

The Agency will receive a one-time issuance fee of 0.25 percent of the bond amount, which is payable at bond closing, and an annual payment for monitoring the regulatory restrictions and



administration of the bonds, in the amount of 0.15 percent of the bond amount for the term of 55 years. The developer will be responsible for payment of all costs, fees, and deposits relating to the bond application. Mortgage revenue bonds do not represent a financial obligation of the Sacramento Housing and Redevelopment Agency, Housing Authority, or County of Sacramento.

## **BACKGROUND**

Mutual Housing California (“Developer” or “MHC”) has applied for the issuance of up to \$14,000,000 in tax-exempt mortgage revenue bonds for the Mutual Housing at Foothill Farms project located at 5324 Hemlock Street in unincorporated Sacramento County (“Project”). The Developer is requesting a bond allocation in order to refinance and refund existing loans and to complete the rehabilitation of the Project for needed repairs. In order for the Developer’s California Debt Limit Allocation Committee (CDLAC) application to be complete, the Board of Supervisors must adopt a resolution indicating they have held the required Tax Equity Financial Responsibility Act (TEFRA) public hearing.

## **DISCUSSION**

Description of Development: Mutual Housing at Foothill Farms (formerly Foothill Plaza Apartments) was built around 1975 and Mutual Housing California purchased and rehabilitated the project in 1995 through federally insured loans and a project based section 8 contract. In 2010 several green retrofits, including installation of solar thermal water heating, new roofing, new siding and other energy upgrades were made using a \$1.5 million federal stimulus grant. Mutual Housing is proposing to complete a wide range scope of rehabilitation that they were unable to addresses through the limited stimulus funds that were previously available. The primary area of concern is the abandonment and relocation of the existing domestic water distribution system due to corrosion of galvanized piping and the resulting leaks. The rehabilitation includes new cabinets, countertops, appliances and the introduction of dishwashers in the kitchens. The bathrooms will also get new cabinets and countertops, bathtubs and shower surrounds. New flooring is to be installed in all the units. The community room will also be refurbished. Outside improvements include the re-grading and repair of onsite drainage and improved landscaping including raised garden beds. Also planned are features for ADA compliance in individual units and an accessible path of travel. The project is a garden style apartment complex with one, two, three and four bedroom units for a total of 98 units with one unit being a managers unit.

The project is restricted to 10 extremely low-income units at or below 30 percent of AMI, 25 low-income units affordable at or below 45 percent of AMI, 40 low-income units at or below 50 percent of AMI and 22 low-income units at or below 60 percent of AMI. A map and site plan is included as Attachments 1 and 2 respectively.

Developer: MHC is an experienced owner and manager of affordable rental housing projects. MHC owns and operates 18 mutual housing communities, and houses more than 3,000 low income residents. Incorporated in 1988, MHC was formed as a partnership of neighborhood residents, business representatives, housing advocates, and local government dedicated to



improving housing opportunities for lower income families. Mutual housing is designed to offer a permanent solution to the housing needs of low-income residents with residents taking a key role in the management and maintenance of their homes and developing a vested interest in the success of their community. MHC is the owner of a number of projects in the Sacramento area, including Mutual Housing at Lemon Hill, Victory Townhomes and Evergreen Estates, River Garden Estates, Norwood Avenue Apartments, and Norwood Estates.

Resident Services: Resident services will be provided to the residents primarily by MHC which currently provides resident services to 18 properties serving low and very low income residents. The service provider will be required to provide at least 24 hours of services per week. Programs will be tailored to the needs of the residents. Examples of services include after-school programs, computer training, and English as a Second Language classes.

Property Management: The Project will be managed by Mutual Housing Management a property management company with staff experienced in operating affordable apartment communities. Agency staff has reviewed and approved the management plan, including daily operations, leasing procedures, maintenance, and eviction procedures, to ensure the company meets the Agency's requirements for property management.

Project Financing: The Developer proposes to finance the Project with up to \$14,000,000 in tax-exempt mortgage revenue bonds issued by the Housing Authority, Low-Income Housing Tax Credits, project cash reserves and a seller carryback acquisition loan for the purchase of the property.

A project summary, including a proposed sources and uses of funds, is included as Attachment 3. A cash flow proforma is included as Attachment 4.

Bond Financing: As a public entity, the Housing Authority can issue tax-exempt bonds, the proceeds of which can provide acquisition, construction, and permanent financing for multi-family housing projects. Interest paid on the bonds is exempt from federal and state income tax, so bondholders will accept a below-market yield from the bonds. These savings are, in turn, passed on to the project owner in the form of a below-market rate loan, with interest rates approximately one to two percent below prevailing market rates.

The bonds for the project are intended to be privately-placed with a commercial bank for the construction and permanent financing. The law firm of Orrick, Herrington and Sutcliffe LLP, will serve as bond counsel to the Housing Authority.

Low-Income Set-Aside Requirements: As a condition of receiving tax credits and the benefits of tax-exempt bond financing, federal law requires units be set-aside for targeted income groups. Maximum rent and income limits for the mortgage revenue bond program can be found in Attachment 5. The Project's affordability restrictions will be specified in regulatory agreements with the Developer.

Project Inducement: CDLAC requires that an "inducement" resolution be adopted by the entity proposing to issue the bonds. Inducement at this time will also allow the developer to be

reimbursed from bond issue proceeds for acquisition and predevelopment expenses that it has incurred already and will incur in the future. Staff recommends that the Housing Authority adopt a resolution to indicate its intent to issue bonds to finance the construction and permanent financing of the project. Adoption of the resolution will not bind the Housing Authority to issue bonds until and unless all other necessary actions are taken in accordance with all applicable laws.

### **COMMISSION ACTION**

It is anticipated that, at its meeting of February 18, 2015, the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Board in the event this does not occur.

### **MEASURES/EVALUATIONS**

The County's Housing Element has set affordable housing goals for the period of 2013-2021. The project preserves and renovates 97 existing regulated affordable housing units.

### **FINANCIAL ANALYSIS**

The proposed bond issuance will not be an obligation of the County, the Housing Authority, or the Sacramento Housing and Redevelopment Agency. The bonds will be the obligation solely of the project's owner, who will bear all costs associated with the issuance of the bonds. The Agency will receive a one-time issuance fee of 0.25 percent (25 basis points) of the bond issuance amount, which is payable at bond closing. The Agency will also collect an annual payment of 0.15 percent (15 basis points) of the total bond issuance amount for monitoring of the regulatory restrictions and administration of the bonds.

### **POLICY CONSIDERATIONS**

The actions are consistent with approved Agency's Multifamily Housing Loan Program and Mortgage Revenue Bond Program. Regulatory restrictions on the property will be specified in bond and loan regulatory agreements. Compliance with the regulatory agreements will be monitored by the Agency on a regular basis for 55 years.

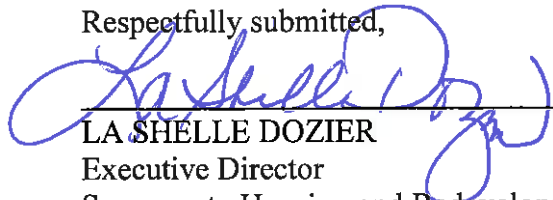
### **ENVIRONMENTAL REVIEW**

The proposed action strictly creates a government funding mechanism and is not considered a project under the California Environmental Quality Act (CEQA). The National Environmental Policy Act (NEPA) does not apply.

### **M/WBE/SECTION 3 AND FIRST SOURCE PROGRAM CONSIDERATIONS**

The activities recommended in this staff report do not involve federal funding; therefore, there are no M/WBE or Section 3 requirements. The Developer will be encouraged to participate in the First Source Program.

Respectfully submitted,



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LA SHELLE DOZIER  
Executive Director  
Sacramento Housing and Redevelopment Agency

APPROVED

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BRADLEY J. HUDSON  
County Executive

Attachments:

- RES – County BOS Resolution
- RES – HACOS Resolution
- ATT 1 - Map
- ATT 2 - Site Plan
- ATT 3 - Project Summary
- ATT 4 - Cashflow Proforma
- ATT-5 - Maximum Rent and Income Schedule

**RESOLUTION NO. \_\_\_\_\_**

**MUTUAL HOUSING AT FOOTHILL FARMS PROJECT: APPROVING  
THE ISSUANCE OF BONDS BY THE HOUSING AUTHORITY OF THE  
COUNTY OF SACRAMENTO ON BEHALF OF MUTUAL HOUSING  
CALIFORNIA**

**WHEREAS**, the Housing Authority of the County of Sacramento (the "Authority"), a housing authority organized and existing under the laws of the State of California, proposes to issue multifamily housing revenue obligations (the "Obligations") in an amount not to exceed \$14,000,000 and to lend the proceeds thereof to a limited partnership or a limited liability company related to or formed by Mutual Housing California, a California nonprofit public benefit corporation (the "Developer") to be used to provide funds for the acquisition, rehabilitation and development of the Mutual Housing at Foothill Farms, a 98-unit multifamily housing residential facility located at 5324 Hemlock Street, in the County of Sacramento, California, to be owned and operated by the Developer;

**WHEREAS**, Section 147(f) of the Internal Revenue Code of 1986 requires the execution and delivery of the obligations to be approved by the Board of Supervisors of the County (the "Board"), as the elected representative of the County of Sacramento, the host jurisdiction of the subject multifamily housing residential facility, after a public hearing has been held following reasonable and proper notice;

**WHEREAS**, a public hearing was held by the Board on the 24th day of February, 2015, following duly published notice thereof, and all persons desiring to be heard have been heard;

**WHEREAS**, it is in the public interest and for the public benefit that the Board, as the elected representative of the County of Sacramento, the host jurisdiction of the subject multifamily housing residential facility, approve the execution and delivery by the Authority of the Obligations;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SACRAMENTO:**

Approval Of Bond Issuance For The Mutual Housing At Foothill Farms  
Page 2

Section 1. The Board of Supervisors of the County of Sacramento hereby finds, determines and declares that issuance by the Authority of the Obligations in the maximum principal amount of \$14,000,000 for the purposes described above is hereby approved.

Section 2. This resolution shall take effect immediately upon its adoption.

On a motion by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 24th day of February, 2015, by the following vote, to wit:

AYES: Supervisors,  
NOES: Supervisors,  
ABSENT: Supervisors,  
ABSTAIN: Supervisors,

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Chair of the Board of Supervisors,  
of Sacramento County, California

SEAL

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors

**RESOLUTION NO. \_\_\_\_\_**

**ADOPTED BY THE HOUSING AUTHORITY OF THE  
COUNTY OF SACRAMENTO**

**MUTUAL HOUSING AT FOOTHILL FARMS PROJECT:  
A RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY  
OF SACRAMENTO DECLARING INTENTION TO  
REIMBURSE EXPENDITURES FROM THE PROCEEDS OF  
TAX-EXEMPT OBLIGATIONS AND DIRECTING CERTAIN ACTIONS**

**WHEREAS**, the Housing Authority of the County of Sacramento (the "Authority") intends to issue tax-exempt obligations (the "Obligations") for the purpose, among other things, of making a loan to a limited partnership or a limited liability company related to or formed by Mutual Housing California, a California nonprofit public benefit corporation (the "Developer"), the proceeds of which shall be used by the Developer to finance the acquisition, rehabilitation and development of the Mutual Housing at Foothill Farms Project, a 98-unit multifamily housing residential facility located at 5324 Hemlock Street, in the County of Sacramento, California (the "Project"); and

**WHEREAS**, United States Income Tax Regulations section 1.103-18 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, among which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer must declare an intention to reimburse such expenditure; and

**WHEREAS**, it is in the public interest and for the public benefit that the Authority declare its official intent to reimburse the expenditures referenced herein;

**NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF  
THE COUNTY OF SACRAMENTO**

**Section 1.** The Authority intends to issue the Obligations for the purpose of paying the costs of financing the acquisition, rehabilitation and development of the Project.

**Section 2.** The Authority hereby declares that it reasonably expects that a portion of the proceeds of the Obligations will be used for reimbursement of expenditures for the

acquisition, rehabilitation and development of the Project that are paid before the date of initial execution and delivery of the Obligations.

Section 3. The maximum amount of proceeds of the Obligations to be used for reimbursement of expenditures for the acquisition, rehabilitation and development of the Project that are paid before the date of initial execution and delivery of the Obligations is not to exceed \$14,000,000.

Section 4. The foregoing declaration is consistent with the budgetary and financial circumstances of the Authority in that there are no funds (other than proceeds of the Obligations) that are reasonably expected to be (i) reserved, (ii) allocated or (iii) otherwise set aside, on a long-term basis, by or on behalf of the Authority, or any public entity controlled by the Authority, for the expenditures for the acquisition, rehabilitation and development of the Project that are expected to be reimbursed from the proceeds of the Obligations.

Section 5. The Developer shall be responsible for the payment of all present and future costs in connection with the issuance of the Obligations, including, but not limited to, any fees and expenses incurred by the Authority in anticipation of the issuance of the Obligations, the cost of printing any official statement, rating agency costs, bond counsel fees and expenses, underwriting discount and costs, trustee fees and expense, and the costs of printing the Obligations. The payment of the principal, redemption premium, if any, and purchase price of and interest on the Obligations shall be solely the responsibility of the Developer. The Obligations shall not constitute a debt or obligation of the Authority.

Section 6. The appropriate officers or the staff of the Authority are hereby authorized, for and in the name of and on behalf of the Authority, to make an application to the California Debt Limit Allocation Committee for an allocation of private activity bonds for the financing of the Project.

Section 7. The adoption of this Resolution shall not obligate (i) the Authority to provide financing to the Developer for the acquisition, rehabilitation and development of the Project or to issue the Obligations for purposes of such financing; or (ii) the Authority, of or any department of the Authority or the County of Sacramento to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, rehabilitation, development or operation of the Project.

Section 8. This resolution shall take effect immediately upon its adoption.

On a motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Housing Authority of the County of Sacramento, State of California this 24th day of February, 2015, by the following vote, to wit:

**AYES:       Members:**

**NOES:       Members:**

**ABSENT:    Members:**

**ABSTAIN:   Members:**

\_\_\_\_\_  
**Chair of the Board of the Housing Authority,  
of Sacramento County, California**

**SEAL**

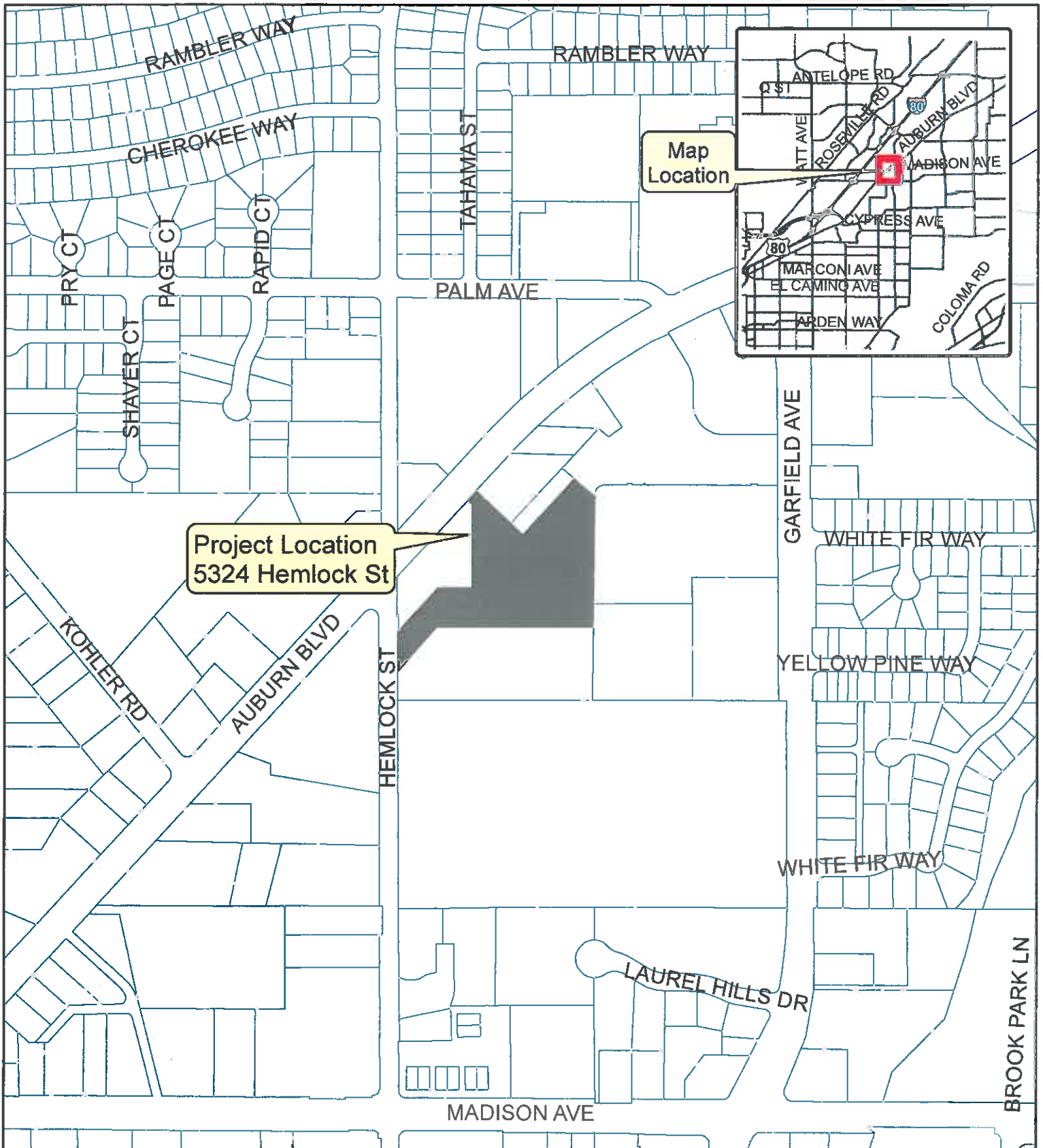
**ATTEST:**

\_\_\_\_\_  
**CLERK**



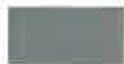


# Mutual Housing At Foothill Farms



**Project Location**  
5324 Hemlock St

**Map Location**



**5324 Hemlock St**



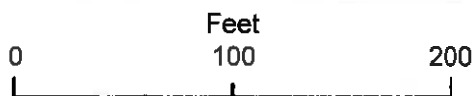
SHRA GIS  
January 21, 2015



# Mutual Housing At Foothill Farms Site Plan



5324 Hemlock St



SHRA GIS  
January 21, 2015

**Mutual Housing at Foothill Farms  
Residential Project Financial Summary**

<b>Address</b>	5324 Hemlock Street, Sacramento CA 95841				
<b>Number of Units</b>	98				
<b>Year Built</b>	1975				
<b>Acreage</b>	3.4 acres				
<b>Affordability</b>	10 units (10%) at or below 30% of AMI 25 units (26%) at or below 45% of AMI 40 units (41%) at or below 50% of AMI 22 units (23%) at or below 60% of AMI 1 Manager Unit				
<b>Unit Mix and Rents</b>	(30% AMI)	(45% AMI)	(50% AMI)	(60% AMI)	Manager
1 Bedroom / 1 Bath	2	6	12	10	
2 Bedroom / 1 Bath	4	10	15	8	1
3 Bedroom / 2 Bath	3	6	9	2	
4 Bedroom / 2 Bath	1	3	4	2	
Total	10	25	40	22	1
<b>Square Footage</b>	<i>Per Unit</i>	<i>Total</i>			
1 BR / 1 BA	602	18,060			square feet
2 BR / 1 BA	800	29,600			square feet
3 BR / 2 BA	901	18,020			square feet
4 BR / 2 BA	1,070	10,700			square feet
Total		76,380			square feet
<b>Resident Facilities</b>	The project includes a community clubhouse and childrens playground.				
<b>Permanent Sources</b>	<i>Total</i>	<i>Per Unit</i>	<i>Per Square Foot</i>		
Bonds	\$ 7,617,200	\$ 77,727	\$ 99.73		
Seller Carryback Acquisition Loan	\$ 4,988,436	\$ 50,902	\$ 65.31		
Tax Credit Equity	\$ 7,042,269	\$ 71,860	\$ 92.20		
Accrued/ Deferred Interest	\$ 251,400	\$ 2,565	\$ 3.29		
NOI During Construction	\$ 226,000	\$ 2,306	\$ 2.96		
Cash Reserves From Seller	\$ 967,784	\$ 9,875	\$ 12.67		
<b>TOTAL SOURCES</b>	\$ 21,093,089	\$ 215,236	\$ 276		
<b>Permanent Uses</b>					
Acquisition	\$ 9,007,784	\$ 91,916	\$ 117.93		
Construction	\$ 5,575,954	\$ 56,897	\$ 73.00		
Site Improvements	\$ 319,098	\$ 3,256	\$ 4.18		
Development Impact Fees/Permits	\$ 75,000	\$ 765	\$ 0.98		
Architecture, Engineering, Survey	\$ 242,843	\$ 2,478	\$ 3.18		
Relocation	\$ 422,283	\$ 4,309	\$ 5.53		
Hard Cost Contingency	\$ 885,008	\$ 9,031	\$ 11.59		
Soft Cost Contingency	\$ 86,284	\$ 880	\$ 1.13		
Financing Costs	\$ 645,700	\$ 6,589	\$ 8.45		
Replacement Reserves	\$ 98,000	\$ 1,000	\$ 1.28		
Operating Reserves	\$ 521,000	\$ 5,316	\$ 6.82		
Legal Fees	\$ 160,000	\$ 1,633	\$ 2.09		
Developer Fee	\$ 2,399,900	\$ 24,489	\$ 31.42		
Insurance, Third Party, Marketing, Other	\$ 654,235	\$ 6,676	\$ 8.57		
<b>TOTAL USES</b>	\$ 21,093,089	\$ 215,236	\$ 276		
<b>Management / Operations</b>					
Proposed Developer:	Mutual Housing California				
Property Management Company:	Mutual Housing Management				
Operations Budget:	\$521,676	\$5,323			
Replacement Reserves:	\$34,900	\$356			



**MAXIMUM TAX CREDIT RENT AND INCOME LEVELS 2015***Rents @ 60%, 50%, 45% and 30% of Area Median Income***Maximum Income Limits:**

Family Size	Max Income			
	60% AMI	50% AMI	45% AMI	30% AMI
1 person	\$28,860	\$24,050	\$21,645	\$14,430
2 person	\$33,000	\$27,500	\$24,750	\$16,500
3 person	\$37,140	\$30,950	\$27,855	\$18,570
4 person	\$41,220	\$34,350	\$30,915	\$20,610
5 person	\$44,520	\$37,100	\$33,390	\$22,260
6 person	\$47,820	\$39,850	\$35,865	\$23,910
7 person	\$51,120	\$42,600	\$38,340	\$25,560
8 person	\$54,420	\$45,350	\$40,815	\$27,210

**Maximum Rent Limits:**

Unit Size	Gross Rent			
	60% AMI	50% AMI	45% AMI	30% AMI
1 Bedroom	\$773.00	\$644.00	\$579.00	\$386.00
2 Bedroom	\$928.00	\$773.00	\$696.00	\$464.00
3 Bedroom	\$1,071.00	\$893.00	\$803.00	\$535.00
4 Bedroom	\$1,195.00	\$996.00	\$896.00	\$597.00

*\* Rent listed is the maximum gross rent under tax credit guidelines. However, the project's Housing Assistance Payments (HAP) contract will allow tenants to pay no more than 30% of their income, with HUD paying the difference between the tenant payment and market rent.*